

Building a Legacy: Cultivating Sustainability

Grant Thornton Indonesia 2023 ESG Report





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Message from Our CEO

Dear Valued Stakeholders,

It is with immense pleasure that I share with you our annual Environmental, Social, and Governance (ESG) report. At Grant Thornton Indonesia, we recognize the importance of transparency, and this report is more than a collection of data—it is an open letter to our stakeholders, an invitation to join us on our journey towards a sustainable and responsible future.

As we unveil this ESG report, our intention is clear—to provide you with a comprehensive view of our commitment to responsible business practices. This report is a testament to our dedication in creating value not only for our stakeholders, but also for the communities we serve and this planet we call home. We believe in accountability, and this report is a step towards fostering trust and transparency with all our stakeholders.

Our commitment to ESG principles is at the core of our business ethos. Throughout this report, you will discover the tangible actions we have taken to integrate sustainability into our operations. From reducing our environmental footprint to fostering a diverse and inclusive workplace and upholding the highest standards of governance, our commitment to ESG is reflected in every aspect of our business.

Acknowledging our progress is essential, but so is recognizing the work that lies ahead. In the spirit of continuous improvement, we have outlined specific areas where we aim to enhance our ESG efforts. We understand that sustainability is an ongoing journey, and we are committed to learning, adapting, and evolving to meet the challenges of a rapidly changing world.

Our hope is that this report not only informs but inspires. We aspire to spark meaningful conversations and collaboration among our stakeholders. Together, we can build a future that harmonizes economic prosperity with environmental stewardship and social equity. Your insights and partnership are invaluable as we strive to make a positive impact on the world.

In closing, I express my gratitude to every stakeholder who has contributed to our shared journey. Your support fuels our commitment to a sustainable and responsible future.

Thank you for being an integral part of the Grant Thornton Indonesia community.



Johanna Gani
CEO

About the Report

Grant Thornton Indonesia* is a member firm of Grant Thornton International Ltd (GTIL) and has compiled an annual reporting regarding commitment to its ESG performance.

This 2023 ESG Report encompasses baseline targets, records, and achievements from July 2022 to June 2023, unless otherwise specified. Please note that some events or information may occur or be presented after our fiscal year, and are disclosed as such in each narrative. This report provides information about our activities, efforts, and performance data in Social, People, Governance, and Environmental activities. To enhance accuracy, we have combined the firm's available data sources with direct surveys. Regarding energy and emissions-related data, full disclosure of all components for each scope may not be possible due to an insufficiency of data availability at this stage. Additionally, our Greenhouse Gas (GHG) emissions baseline calculation follows the U.S. agency's benchmark calculations combined with the Indonesia emission factor index. Potential data inaccuracies may be addressed in future reports upon updates from our government on the Indonesia ESG calculation-based index. We commit to staying current on this matter and maintaining transparency for all stakeholders by providing the latest information.

This report adheres to the Global Reporting Initiative (GRI) Standards, including the revised GRI Universal Standards 2021, the Sustainability Accounting Standards Board (SASB) Standards for the professional and commercial service industry, the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and the United Nations Sustainable Development Goals (U.N. SDGs). We have included GRI, SASB, and TCFD indexes in this report.

Grant Thornton does not publicly disclose its financial statements; consequently, this report is limited to ESG performance. It applies only to Grant Thornton Indonesia and does not represent other member firms in the Grant Thornton Global Network.

We take responsibility for the completeness, accuracy, and validity of the metrics in this report and for their conformity with our reporting criteria. No external assurance for this report has been obtained.

*KAP Gani, Sigiro, & Handayani, and its affiliates

Our Stakeholders

Our dedication to nurturing strong and lasting relationships with stakeholders significantly influences the formulation of our ESG strategies, initiatives, and reporting processes.

Grant Thornton Partners, Directors, and Leadership teams

The involvement of our partners, directors, and leadership teams is pivotal in defining firm strategies, executing initiatives, and providing insights across various ESG aspects.

GT-Zen (Grant Thornton Indonesia Citizen) - Our Employees

We have instilled a culture of open communication within GT-Zen through channels such as our whistleblowing and ethics hotline, one-on-one meetings, people voice surveys, and ESG annual surveys. GT-Zen stays informed about ESG actions and progress through internal communication, events, and reporting channels, including this annual ESG report. Our recruiting team regularly engages with recruits, including interns and experienced hires, to gather feedback and address concerns.

GTIL and other member firms

As a GTIL member, our management communicates regularly with GTIL and leaders of other member firms to discuss important matters. We actively connect with ESG experts through forums and group discussions.

Clients

We consistently connect and engage with both prospective and existing clients through various channels, and provide them with regular updates on market trends through publications, newsletter blasts, and various insightful events. And, client satisfaction is paramount, thus we collect feedback through our periodic Client Voice surveys.

Our Communities

Through our Corporate Social Responsibility (CSR) programs and partnerships with non-profit organizations, we actively engage with surrounding communities. Collaborative efforts are made through events and campaigns to contribute positively to society.

Our Suppliers

Our procurement team manages supplier relationships, providing a screening process and evaluation of delivery of their goods and services.

Regulators, governments, professional bodies, and professional associations

We actively engage with regulators, standard setters, and professional bodies in shaping our reporting practices and internal approaches to ESG issues. This includes engagement with organizations such as the GRI, the International Sustainability Standards Board (ISSB), and the TCFD, as well as industry associations like the Indonesian Institute of Certified Public Accountant (IICPA/IAPI) and the Institute of Indonesia Chartered Accountants (IAI).

Our ESG Perspective

These are moments where we reflect upon the journey we've taken, celebrate our achievements, assess our current endeavors, and envision our future goals.

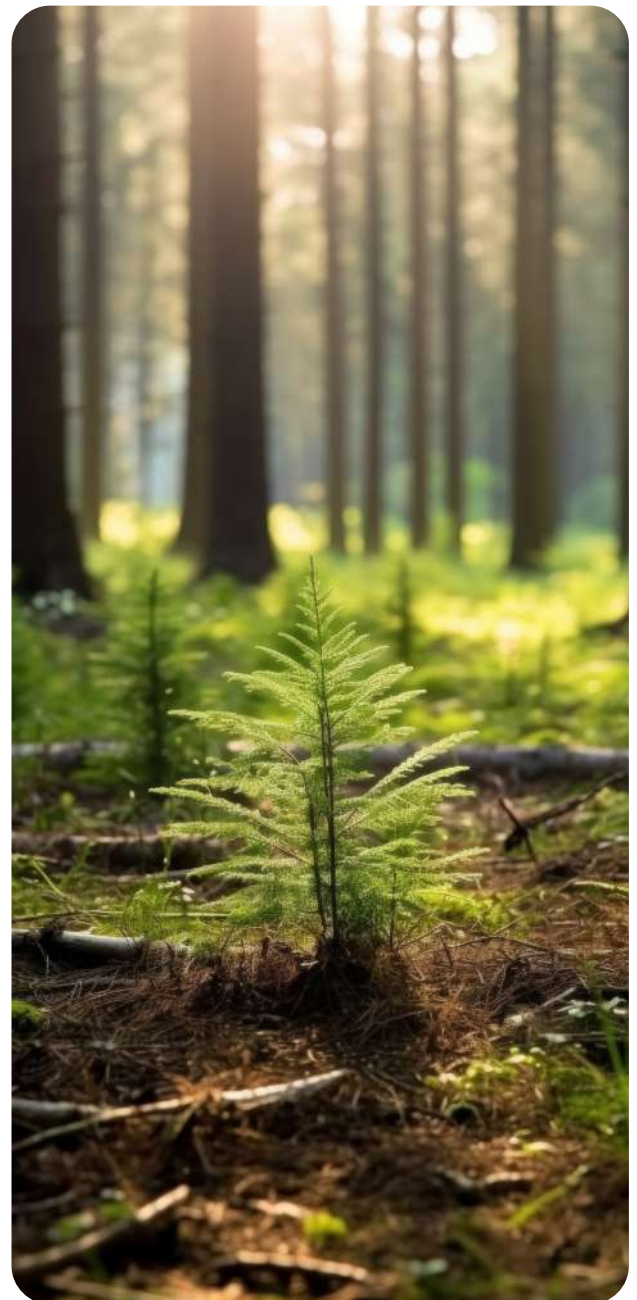
There are concerns surrounding our environment. What are the ways this profession could give back to the society, so that we may ensure legacy for the future generations.

Our dedication must not simply be in words. Our dedication must also manifest in our actions. So that the Earth may become a worthwhile habitat for all living creatures. So that there remain values that can be instilled and passed down to the next generation. So that current developing businesses can consistently contribute to a sustainable environment.

There is much to learn from the traditional communities like the Baduy Jero, people of Inner Baduy, who live by the words "Gunung Ulah Dilebur, Lebak Ulah Dirusak" (Mountains should not be eroded, Valleys should not be destroyed) which has been held tightly from generation to generation as an unwritten rule, passed down verbally and carried out through action.

The forests are guarded and cared for so that they remain sustainable. Sources of clean water are protected and directed through bamboo pipes from springs in the forest. The river's current is kept clean and the use of soap and anything similar is forbidden to protect the river from pollution. The fields are treated with care and caution, and traditional rituals are carried out before planting season. Forests are nurtured and spring water continues to flow. Nature provides life and livelihood for the human race for future generations to enjoy.

"We draw inspiration from the Baduy tribe's simple way of life, and a return to nature as we integrate the ESG principles into Grant Thornton Indonesia."



*This prose is contributed by Tagor Sidik Sigiuro, Economy and Environment Committee

About Grant Thornton Indonesia

Since 1992, Grant Thornton Indonesia is committed to actively contributing to the development of the accounting profession and business practices in Indonesia. We've listened to what's important to you and made sure we pinned down your ambitions before we develop any solutions.

We make business personal

Uncovering the right answers starts with asking the right questions. We build personal relationships, focus on the real issues, and engage collaboratively to give you illuminating solutions.

We work at the pace that matters—yours

Issues arise, goals evolve, and needs change. Our flatter structure and agile approach quickly adapt to your pace. We simplify the complex, making the technical accessible so you are always ready to react.

We value diverse perspectives

We foster an open culture where bold ideas flourish, celebrate fresh thinking, and merge deep industry expertise with new insights so you have the whole picture and can make confident decisions.

We don't predict the future; we help you shape it

A brighter tomorrow starts with a clear eye and compass to guide you, so we match proactive insights to practical applications to help you create sustainable growth, no matter the road ahead.

We are committed to delivering consistently high quality

We use our technical expertise and technology to set the bar even higher, ensuring you, as well as your customers and investors, can trust our opinions.

Our firm at a glance*



**Audit and Assurance | Tax and Transfer Pricing
Advisory | Business Process Solutions**



29 Partners and Directors



600+ Employees



30+ Years of Service in Indonesia

*As of March 2024

Our Approach to ESG

Through our strong core values and goals, we strive to deliver best-in-class services based on principles aligned with our commitment to ESG. We believe ESG as a breakthrough innovation and a way to effectively execute governance practices, as well as take an active role in addressing urgent societal challenges to drive the greatest positive impact.

As we commit to offering excellent business services, taking ESG initiatives needs transparency commitments. We will provide our progress and most relevant updates, which inform strategies, goals, and reporting priorities, through the annual ESG Report to our stakeholders. Here, transparency is a key to success to not only build trust, but also increase the loyalty and accountability of all stakeholders.

Grant Thornton focuses its business commitment on three focus areas:

- Sustainability environment;
- Diversity, equity, and inclusion (DE&I);
- Governance and compliance.

Our approach is reflected by relevant key issues in our firm aligned with GRI Standards and our ESG focus areas. We are aware that taking on these responsibilities is not a one-time thing, instead, its definition will continue to change and evolve. We ensure to create a meaningful contribution to these ESG challenges that will increase our value, provide precious experiences for our communities, and positively impact the natural sustainability we all share.

“At our core, we view ESG not just as a set of guidelines but also as a commitment to shaping a sustainable and responsible business both in the present and in the future. This initial report is a testament to our dedication in fostering ESG practices that go beyond compliance—it reflects our unwavering commitment to making a positive impact on the world we operate in.”

- Marvin E. Camange,
Head of ESG Committee



Our People - Social Goals

An integral factor contributing to a firm's prosperity involves acknowledging and fostering the welfare of its personnel and collaborators. Grant Thornton Indonesia values diversity and inclusiveness, promoting equal opportunities, and enabling our leaders and team members to shape a more assured future. As such, we remain dedicated to upholding human rights within the workplace, fostering amicable relations, and giving precedence to the safety, well-being, and health of our employees.

Our Goals	2023 Baseline	Target	Target by
Educate 100% of Grant Thornton Indonesia colleagues on environmental and sustainability initiatives	100% of Grant Thornton Indonesia leaders	100% of all employees	2025
Maintain balance to improve internal promotions for leadership position compared to external hiring	59.5% of internal promotion	Achieve 75% of internal promotion	2030

Our DE&I Goals

We are committed to creating diverse representation, equal opportunities, colleagues' engagement, and culture inclusivity.

DE&I are at the core of business services. Grant Thornton Indonesia always upholds fostering diversity, respect, and inclusion in the workplace to ensure our employees and partners experience safe and healthy work environments. We wish for an inclusive workplace, where we always maintain gender composition as equal.

We are not only providing a place for work but a place our employees can call a "second home." Therefore, we can continuously improve our system and working environment to empower and provide welfare for our employees. Through these steps, Grant Thornton Indonesia can not only contribute to healthy and positive social outcomes, but also help construct the firm's long-term success.

Our Goals	2023 Baseline	Target	Target by
Maintain balance of total employees between women and men	61% of women employees and 39% of men employees	Maintain balance ~50%:50%	2030
Maintain equal opportunity for women and men to be future partners, principals, directors or leaders	51% of women leaders (Partners, Directors, Managers)	Maintain balance ~50%:50%	2030

Our Sustainability Goals

Grant Thornton Indonesia continuously pursues environmental activities, often in partnership with others. As we aim to achieve a net-zero target, we adopt the standards of the Science Based Targets initiative (SBTi) to help in setting up our baseline.

Our Goals	2023 Baseline	Target	Target by
Report our GHG emission to external parties including to SBTi and Carbon Disclosure Project (CDP)	Report to Grant Thornton Indonesia Stakeholders	To report to SBTi	2025
		To report to CDP	2025
Reduce our total GHG emissions per employees (Scope 1, 2, and 3) by 40%	Total Emission Intensification per capita: 2.97	Total Emission Intensification per capita: 1.78	2030
Achieve net-zero GHG emissions	Refer to our Carbon Offset Strategy	Partner with non-governmental organizations (NGOs) for carbon offsetting action (to offset our baseline emission)	2030

Governance and Compliance

Grant Thornton Indonesia goes beyond business as usual and embraces what makes each market unique, and so do all our clients too. We are led by our Partnership Board which consists of the partners and the CEO. Its committees cover the firm’s direction, formulate governance guidance policies and reviews, and oversee its performance, business plans, and budgets.

Our Governance Stakeholders:

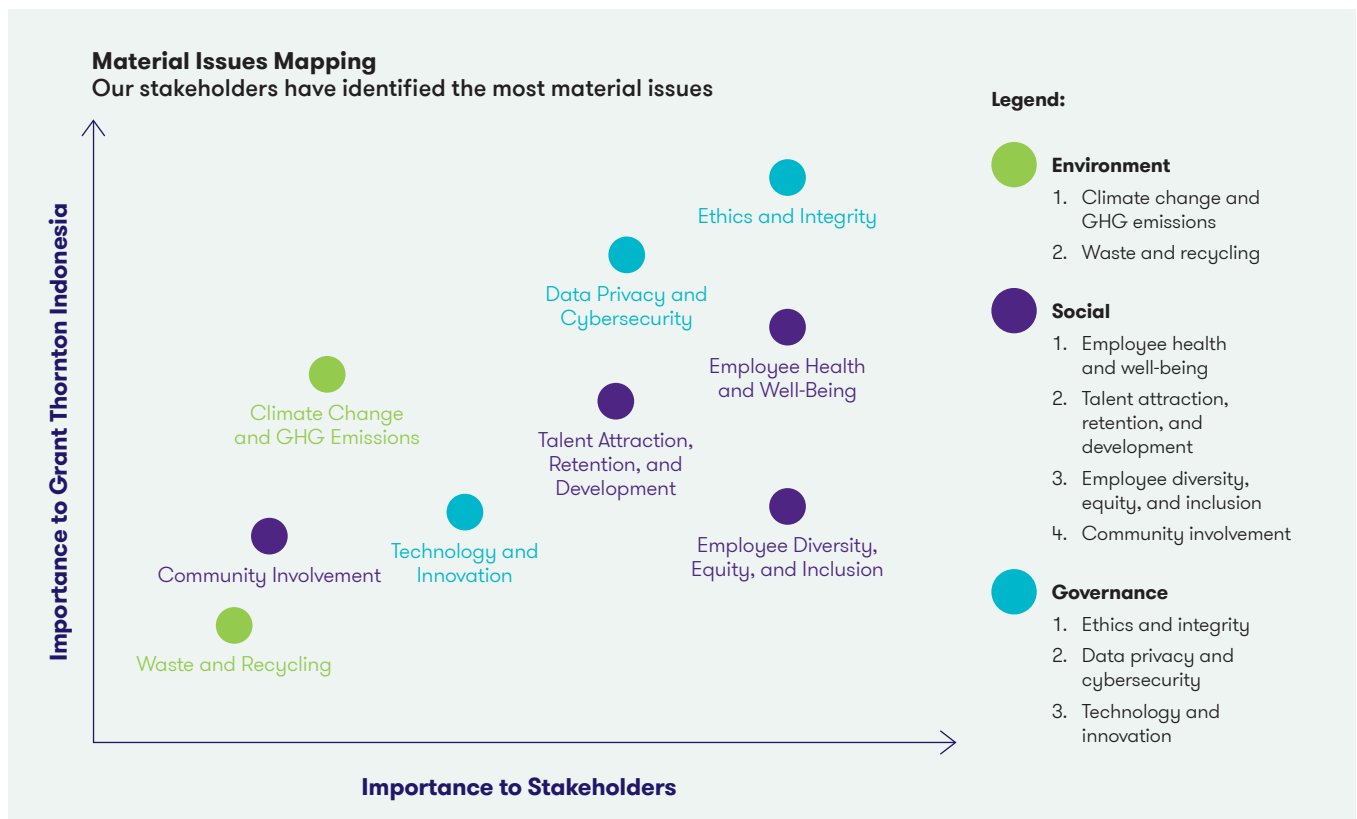
Stakeholders	Focus Area
Partners, Directors, and Leadership Teams	Setting strategic decisions, carrying out initiative execution, providing constructive feedback, and monitoring performance in multiple areas of ESG.
Colleagues	In 2023, ESG becomes our new initiative which encourages all our colleagues’ contributions. We regularly publish updates regarding ESG progress through internal communication channels to all our colleagues in all service lines and levels, and we are also open to any feedback or concerns in implementing our ESG initiatives.
Clients	Continuously engaging with our clients and evaluating Grant Thornton Indonesia’s services through feedback surveys and outreach to determine the most prominent issues. We regularly conduct research to capture and understand trends and insight, which we share publicly through our website and articles.
Communities	We actively collaborate with our community organizations and volunteer in facing challenges related to SDGs 9, 10, 12, and 13. We provide socialization, hands-on volunteering, and raising awareness regarding certain issues.
Suppliers	Ensuring engagement with our suppliers and manage relationships through our procurement team. Through these relationships, we can strengthen collaboration and gain insight into any current issues.
Quality Risk Management Committee (QRMC)	Monitoring the risk assessment process by identifying and mitigating risks, as well as developing and monitoring policies and procedures to ensure the implementation of the Quality Management System.
ESG Committee	Ensure to align an ESG strategy in business strategies preparation and activities to implement sustainable business, as well as periodically evaluate sustainability and sustainable financial performance.



Our Approach to Materiality

As Indonesia has made considerable progress regarding newer environmental standards, ESG, climate change, and reducing carbon emissions are becoming emerging trends. The Earth's recent deteriorating condition has an impact on the ecosystem of life in Indonesia, which should encourage strong ambitions to achieve net-zero emissions. In addition to the significant encouragement of businesses to invest in renewable energy and sustainability initiatives, all stakeholders are also determined to develop ambitions in social impact and community engagement.

These initiatives have been supported through the Financial Services Authority (OJK) Regulations No.51/POJK.03/2017. The regulation covers the adjustment of services and organization's governance with sustainability principles. In addressing the challenges at hand, we take initiative by conducting a materiality assessment using ESG surveys. This approach enables us to comprehend the key ESG concerns perceived by our stakeholders. The insights gathered play a crucial role in evaluating and prioritizing the most significant issues and trends that are pertinent to Grant Thornton Indonesia.



Our Commitment to SDGs

Grant Thornton Indonesia has implemented sustainability actions in accordance with U.N. SDGs.

The U.N. SDGs provide a comprehensive roadmap to uphold sustainable development through addressing critical global challenges and advancing the U.N. SDGs.

We are currently aiming to commit on three pillars such as People, Planet, and Governance, which will be further derived into 7 goals.

The advancement of SDG's actions has led Grant Thornton Indonesia to underpin the principles along with the objectives as follows:

SUSTAINABLE DEVELOPMENT GOALS



Directly engaging with our stakeholders to ensure we address the most crucial issues within our business.



Establishing mutual trust and fostering a sense of shared responsibility with our clients and colleagues.



Prioritizing quality over quantity when setting our agenda and focus areas.



Maximizing the efficient utilization of resources in fundamental aspects of our business, while actively working to mitigate any negative impacts.



Playing a substantial role advancing DE&I and sustainability in collaboration with our communities.



Striving to become the preferred employer for diverse and talented professionals in our industry.

Inclusive Growth: Advancing DE&I

We believe our success drives along with our core values upheld. The value will be the identity of the firm and all people within to deliver best-in-class services to stakeholders.

As a way to internalize a strong set of values, we believe and commit to continuously listening, understanding, and providing excellent quality and well-targeted solutions to our client's needs. Our values reflect our expectations that every colleague works and experiences growth. These values are:



Collaboration
Work together;
act as one.



Leadership
Build trust;
make a difference.



Excellence
Deliver quality;
pursue greatness



Agility
See with clarity;
act with purpose.



Respect
Care deeply;
listen intently.



Responsibility
Own your action;
be aware of
your impact.



Trustworthiness
Uphold integrity.

Creative with Flexibility

COVID-19 has had various significant impacts on Grant Thornton Indonesia's ecosystem, one of which was realizing the importance of creating a work-life balance. The implementation of a hybrid work system is the first step toward achieving this balance. This system enables our employees to work from any location, including the Grant Thornton Indonesia office, home, or a client site.

We believe that by implementing this system, we will be able to instill trust in our employees while also encouraging their creativity in managing and producing maximum work output.

In fact, this system gives Grant Thornton Indonesia the advantage of being able to reach out to a wide range of people. Grant Thornton Indonesia can create a work-life balance by holding online meetings with potential clients and reaching out to more prospective talents from all over Indonesia with diverse backgrounds. This balance will have an impact on our people's productivity and output. Quality output results in

high-quality service, which is consistent with Grant Thornton Indonesia's values, standards, and commitment.

Harmony in Diversity

Ethnicity, race, culture, and religion make us much more colorful. It may appear impossible to bring together such disparities. As a result, the impossibility can be used to create harmony in a dynamic work environment. Diversity can also be used to reveal our identity. Not for recognition, but as a form of mutual respect.

We provide equal opportunity and comfort because of this distinction. There is no discrimination or differential treatment for GT-Zen members. Grant Thornton does not force a comfortable working environment; we establish togetherness because it is consistent with the culture that we bring.

"Under the auspices of "Grant Thornton", we uphold the culture that we believe in to synergize and support each other to grow and advance."

Speak-up in Confidence

In the interest of committing to the highest standard of integrity, honesty, and accountability, Grant Thornton Indonesia provides support for its employees by creating a safe and secure environment to promote quality and an ethics-based culture within our organization. Our firm also takes proactive steps to identify and address actual and potential risks for workers in their operations by undertaking meaningful due diligence and adopting principles and practices in the workplace.

Deliverability in a Team

We maintain communication by encouraging transparency and openness. Communication is critical to our firm's ability to deliver opinions and ideas horizontally and vertically. We ensure that our communication flow is clear because it serves as a bridge between the input received and the output shared with clients and stakeholders. As a result, we maintain team collaboration and synergy.

Strengthening Engagement

Expressing a convenience of working collaboratively through building an atmosphere where people can be heard and recognized.

What We Heard..

Our Colleague's responses on Grant Thornton Indonesia's People Voice 2022 shows:

4 out of 5

Feels their skills and abilities are useful in the job



Are owning sufficient autonomy to enable do the daily work well

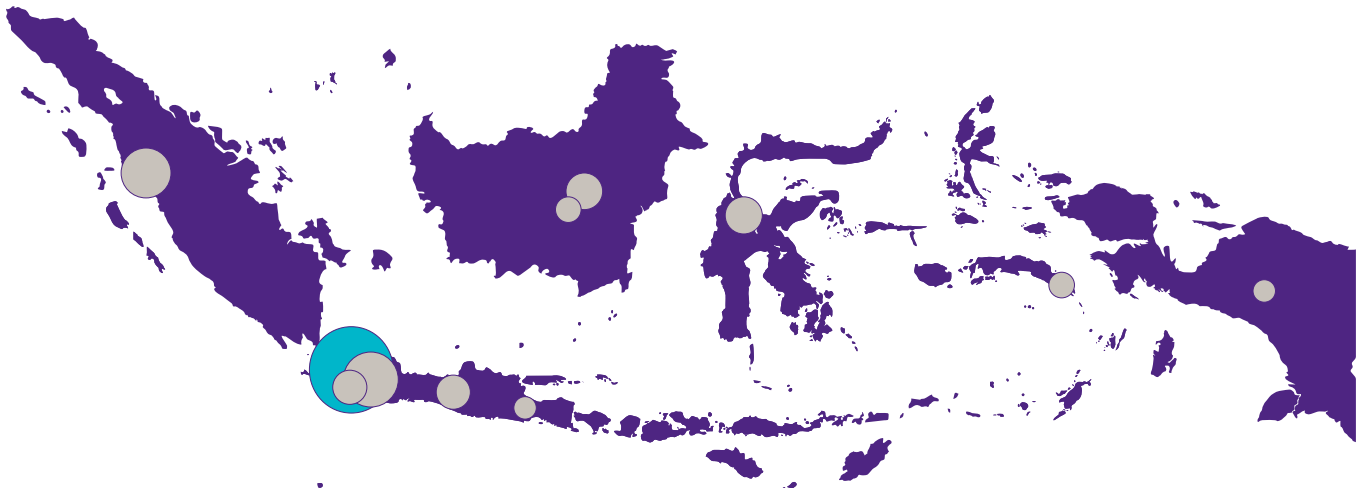
87% Feel accepted for being different in a team

81% Believe in providing the best quality of client service

83% Believe Grant Thornton Indonesia stimulates working collaboratively

Comprehensive Approach to DE&I

Distribution of Colleague's Origin

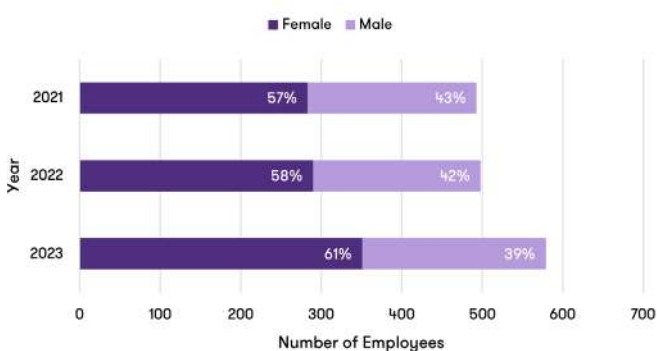


Grant Thornton Indonesia is expanding its reach to all regions of the country to attract the best talent. Indonesia's diversity has become a driving factor in our development. The diversity of tribes, nationalities, cultures, and religions enhances our vibrancy and harmony. From Sabang to Merauke, we can journey from the nearest to the farthest point with ease. For us, all abilities deserve equal chance and care. This opportunity is open to everyone, regardless of gender.

We believe that this country is brimming with high potential citizens. As an outcome, we expect to attract greater numbers of talented people from various provinces to sail the ship with Grant Thornton Indonesia.



Employee Gender Breakdown 2021 - 2023



Grant Thornton Indonesia is committed to maintaining a balance (~50%:50%) of male and female roles. Every year we continue to increase opportunities for our employees by persisting with the ratio of men and women in the work ecosystem. For us, equality is the key to a harmonious work environment.

Employee Gender Breakdown Based on Position

Regardless of what your position is, gender equality is a fundamental right to be able to access equal opportunities and rewards. A concrete way we have achieved on gender equality is through maintaining balance of female and male composition on every level. Grant Thornton Indonesia also assures gender equity on all fronts by becoming allies.

“The firm offers equal opportunities for all its employees. Every employee in the firm has the potential to continue growing professionally. With the firm’s seamless collaborative culture, employees can receive support from colleagues and superiors in facing dynamic daily work challenges.”

**- Rizky Hidayat,
Advisory Senior Manager**

Description	2023		2022		2021	
	Female	Male	Female	Male	Female	Male
Partner	44%	56%	44%	56%	44%	56%
Director	55%	45%	50%	50%	50%	50%
Manager	53%	47%	46%	54%	52%	48%
Senior	62%	38%	58%	42%	58%	42%
Associate	66%	34%	62%	38%	51%	49%

Women in Business

The underestimation of women still lingers in global society. Although the emancipation of women is a fairly recent milestone, the negative stigma against them still acts as an obstacle for them to grow. However, Grant Thornton Indonesia is able to combat this negative stigma by supporting the role of women as the next future leaders.

We believe both men and women have equal rights and capabilities. Both have a chance to develop and contribute to running this firm. Indeed, there is no significant difference in terms of input and output from both genders.

51% Women leaders in Grant Thornton Indonesia



So far, our female employees in Grant Thornton Indonesia can excel in their roles as women and be present as leaders. Along with the development during this recent era, the existence of female employees is now equal to male employees and there is no doubt they can also fill strategic positions and make long-term business decisions.

In a nutshell, women have their own right to show they can achieve anything and be able to pursue what they believe in. Hopefully, increasing the participation of women in their personal and professional lives will bring a balanced representation of women and men through all sectors, as well more access for women to better future careers.

“Future woman in business should develop an area to thrive in, whatever the industry is and whenever challenging times come, by developing the skills they find in themselves.”

**– Setiawati Budiman,
Audit Partner**

Acceleration on Talent Growth

DE&I is an important part of ESG where this initiative is designed as comprehensively as possible with the following strategies:

Training

Grant Thornton Indonesia executed training relevant to the fields and skills required by our people to enhance quality and sharpen skills. These requirements pertain to the work they perform as well

160+ Offline and Online Training

96%* Accomplished Code of Ethics Training

*for all employees in every service line

as the skill trends required to not only contribute to our firm but also prepare them to compete globally.

We have covered all the materials needed, including the code of ethics and managerial skills as basic knowledge to share. Despite the field and level, we also provide Information Technology (IT) and cybersecurity training as our preventive actions to mitigate unexpected risk.

Grant Thornton Indonesia is sincerely committed to offering high-quality services. Grant Thornton Indonesia offers Engagement Quality Control Review (EQCR) observation to all auditors as part of its audit service line, which emphasizes independence and objective report quality. This is a continuous process for maintaining client confidence to provide excellent services and satisfy clients.

We ensure that this training is not a formality but a mandatory one that needs to be understood and implemented. In the future, the expected output also includes avoiding the possibility of risks borne by our people.

Promotion

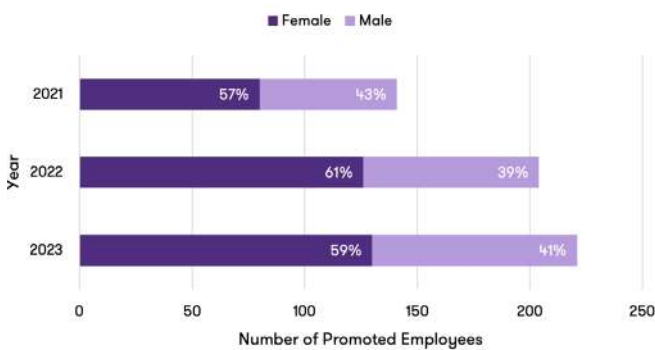
Just as a tree grows from a seed that is planted, so do our people who we give the opportunity to grow together through further career opportunities. With this, Grant Thornton Indonesia offers the opportunity to step up to a higher career level.



“I treated my job as a room for my personal growth, and with that notion I always strive for excellence and go the extra mile whenever I can. Encouragements from colleagues in Grant Thornton Indonesia have become my greatest support system. With my new position, I hope I can create room for growth and become a good mentor.”

**– Nurnahdiyah,
Talent Acquisition Supervisor**

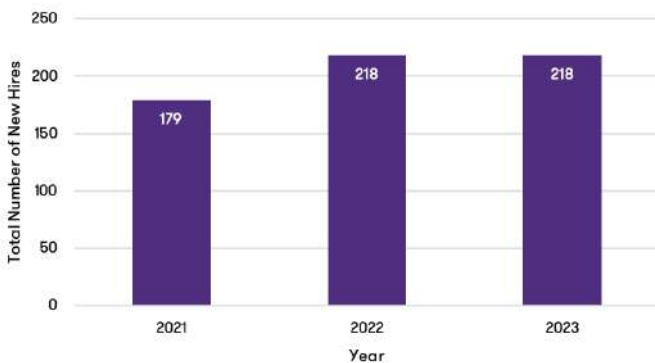
Percentage of Promoted Employees Based on Gender



This opportunity is realized based on the results of performance appraisal and observation that we conduct every year. Objectivity and equality are our starting points. Thus, we believe that with this opportunity, together we grow, and together we progress.

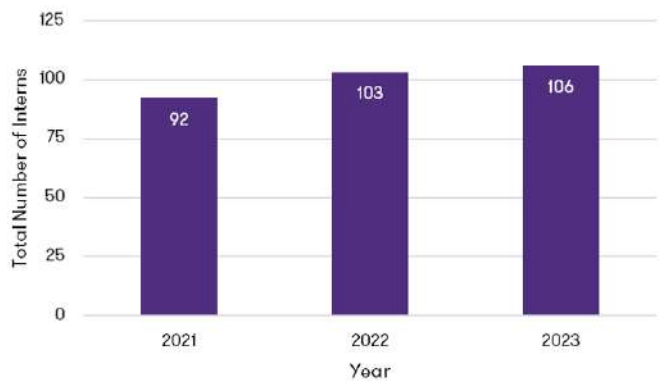
Reaching Talent of the Future

Recruitment



We are broadening our horizons by attracting more talented candidates from throughout Indonesia. This expansion aims to give candidates hands-on experience in the professional world. The opportunity offers are made public and published on our various platforms. We actively organize recruitment through campus visits and hiring, and through social media and collaboration activities.

Internship



Internships provide university students with priceless opportunities to gain real-world professional experience and showcase their skills and abilities, increasing their chances of being hired. We have increased the number of participants as this program has provided a significant contribution to Grant Thornton Indonesia.

Furthermore, we welcome international internships to gain a comprehensive understanding of Indonesian business culture.

Turnover Ratio

As per 2022 - 2023

25.44%

Actions Taken to Discover Top Talent



Campus Hiring

A roadshow to reputable universities and offer a vacancy to be explored



Career Talks

Revealing what's behind the desk and a quick snapshot of being part of GT-Zen



Firm Visit

Expand a wider network in partnering with firms and offer mutually long-term benefits

Health and Well-being

We utilize a comprehensive approach by listening, seeing, and feeling the role health and well-being plays and its impact on productivity. Through our survey results, we found that in terms of social aspects, 76% of the total respondents put “health and well-being” as the 1st priority. This proves the importance of Grant Thornton Indonesia focusing on fulfilling these needs to the best of our ability.

Pay Equity at Grant Thornton Indonesia

Across the world, women still get paid less than men. This inflexible inequality needs to vanish in all countries and across all sectors. Our government has addressed policies on employee welfare by setting a minimum wage rate. As part of concrete actions we’re taking, Grant Thornton Indonesia stands to value all people, regardless of gender, by ensuring they have the right to equal remuneration for equal work.

Mental Health

Everyone has the right to work, and every worker has the right to a workplace that supports health, comfort, and safety. The workplace can end up heavily influencing mental health. Therefore, we raise mental health as an issue that we can accommodate as stipulated in Regulation of The Ministry of Manpower No. 5 of 2018. As such, supports Grant Thornton Indonesia in bolstering the mental health of our people. This is done by providing psychiatric help based on our GT-Zens’ needs.

Not only that, but we also ensure that mental health is maintained by hosting several mental health outreach initiatives each year. Our actions are not limited to addressing mental health issues; we wish to maintain motivation to work and collaborate with Grant Thornton Indonesia.

“At Grant Thornton Indonesia, we are taking concrete actions by providing a space to voice opinions on mental health-related issues, adjusting the needs of mental health conditions, and conducting several mental health outreach events so that everyone can be open and work together to support mental health.”

**- Emme Tarigan,
Human Capital Director**

Health Insurance

All forms of illness and unfortunate events are unforeseen, and in fact, it occasionally place obligations on us to prepare funds to use when needed. In order to ensure the health and wellness of our people, we help fulfill the need for health insurance benefits.

Flexible Time Off Policy

At Grant Thornton Indonesia, we have a flexible working system. Our employees have the freedom to choose their own start times, which gives them the confidence to take on new responsibilities.

This freedom is still aligned with our 9-hour workday, and it does not imply a reduction in responsibilities and roles. So far, this flexibility has encouraged them to work more collaboratively and to be more diligent in meeting deadlines.

Despite the implementation of working time flexibility, Grant Thornton Indonesia always ensures that our people work for the specified duration so that our employees are not burdened with overtime and can utilize more effective management of their time and energy.



Commitment At-scale on Social Responsibility

Climate change has become a threat affecting ecosystems and human life. Climate change has had no immediate impact on Grant Thornton Indonesia's operational and services thus far, which allows Grant Thornton Indonesia to assist any affected parties. We have always been active in the neighborhood, channeling help through social actions since 2018. Our support derives from our commitment to achieving SDGs. As a result, we hope our tiny acts may provide purpose, color, and happiness to those who are affected by these issues. Our contributions to SDGs by embracing our surroundings are as follows:

2018: Mangrove Planting

In 2018, Grant Thornton Indonesia, together with Muara Gembong Bekasi residents, initiated mangrove planting in the Muara Gembong coastal area.

Together, we planted 100+ mangroves with the aim of reducing the risk of abrasion and flooding which will negatively affect local communities. This activity is also a sign of our commitment to climate action in the hopes that in the long term, this social action can continue as a way to participate in efforts to offset carbon emissions.



2021: Be Able, Be Noble

“There are no limits even if you have limitations”.

That is what we found when we visited the Cheshire Indonesia Foundation in December 2021. The Cheshire Foundation itself is an empowerment platform for disabled people that provides activities to keep them engaged by learning to sew, speak English, sing, learn digital marketing, and make handmade crafts that will be sold in their store called Red Feather Shop and online.

Despite their physical limitations, they can inspire us, and hopefully our contribution can also provide inspiration and motivation as a form of our commitment to reducing inequality.



2022: Building Hope Through Homes

In celebration of Youth Pledge Day, Habitat for Humanity Indonesia held an annual event called 28UILD and organized a national movement where they built houses for the underprivileged. Grant Thornton Indonesia was able to join in the #BuildingHopeThroughHomes activity by building 15 houses as well as renovating 32 houses and 2 schools in the Tangerang and Gresik areas.

We believe this collaboration can provide meaningful comfort for the lives and well-being of members in underprivileged communities moving forward.

2023: Bijak Plastik

September 2023 marked our walking tour of 7.9KM to a waste bank in collaboration with Indorelawan. On this occasion, we also visited a volunteer hub in Jakarta to gain insight on volunteering perspectives. We did not stop there, as we also invited our people to participate in the #BijakPlastik challenge for 1 week to change their lifestyles, cut out plastic usage, and implement trash bins categorized by type of waste. To reduce plastic waste, Grant Thornton Indonesia collaborated with Kertabumi to hold “From Waste to Useful Goods” workshops, making objects such as eco pillow, gadget pouch, and mini pot. This collaboration is a manifestation of our commitment to environmental issues.



Sustainability: Committing to Our Environment and Surroundings

Grant Thornton Indonesia is taking the first step in achieving a net-zero climate and collaborating with GT-Zens and our stakeholders to fulfill our commitment to sustainability by incorporating these values into our daily lives.

Our First Step Towards Sustainability: Our Environment-related Commitments

As we gain a deeper understanding of the significant environmental impact of business operations, Grant Thornton Indonesia is taking a proactive step by formalizing our commitment to ESG principles. This commitment is outlined in our inaugural ESG report released this year. In alignment with Grant Thornton International's global initiatives in ESG, we at Grant Thornton Indonesia are proud to be part of this collective social movement as a member of a global firm. Our hope is that, as a unified group, Grant Thornton Indonesia can make a positive contribution to the planet by reducing our carbon footprint and working together to achieve net-zero emissions by 2030.

Grant Thornton Indonesia is dedicated to reducing its environmental impact and actively enhancing the well-being of our employees, communities, and the planet at large. As a frontrunner in our business and industry sector, our aim is to act responsibly in safeguarding natural resources, decreasing our environmental footprint, and combating climate change to the best of our ability.

This year, we have made substantial progress in our dedication to implement environmentally responsible business practices. This involves developing a formal program laying out an environmental-related commitment to seamlessly integrate sustainability into our operations. For this initial report, we will publicly share our objectives and targets to establish transparency with our stakeholders.

Additionally, for each objective, we have established benchmarks, defined key performance indicators as our baseline, and are committed to closely monitoring our progress.

It is important to note that the actions taken this year mark the initial phase of an extensive sustainability journey going forward and can eventually be reported more comprehensively to Grant Thornton Indonesia's stakeholders every year.

We have identified five priorities focused on the environmental criteria most material to our business as inspired by our Grant Thornton Global Network:

- 1. Reducing our physical footprint** by implementing a hybrid working model and virtual recruitment events;
- 2. Minimizing GHG emissions** related to business travel and office operations;
- 3. Reducing consumption and promoting recycling of consumables**, including paper use (e-signature implementation), cartridge and toner use, bringing your own metal cutlery, lunch box, and metal straw;
- 4. Promoting waste management and recycling** within the internal organization;
- 5. Reducing consumption and promoting recycling of electronic equipment.**



Establishing Our ESG Committee

In 2023, we established the ESG Committee which consists of three different committees who will oversee the following: (a) Economy and Environment, (b) Social, Diversity, Equity, and Inclusion, and (c) Risk and Governance. It also includes a task force team who will monitor the implementation of our strategic action and commitments within the organization.

Apart from contributing to the implementation of our environmental management program, the ESG Committee is dedicated to promoting a more ecologically sustainable organization that will benefit ourselves, our clients, and our communities.

The committee aids in various initiatives and oversight, offers insights on program objectives, and strengthens connections throughout the firm. Throughout the fiscal year 2023-2024, the committee will prioritize:

1. Defining the roles and responsibilities of committee and task force members with formal documentation of appointments;
2. Establishing sustainable offices through enhanced eco-friendly practices, development of sustainability scorecards, progress tracking, and sharing best practices among our offices;
3. Educating and inspiring our colleagues to adopt environmentally sustainable behaviors, both at the workplace and in their personal lives.

“Our ESG Committee, comprised of three pillars, reinforces our dedication to robust governance practices. Through this initiative, we strive for transparency, accountability, and ethical conduct, aiming to create sustainable value for our stakeholders and the broader community.”

**– Renie Feriana,
Risk and Governance Committee**





Path to Net-Zero: Developing Our GHG Reduction Strategies

The well-being of societies is intricately linked to the well-being of our planet. This is why, apart from our client service, and knowledge sharing efforts, Grant Thornton Indonesia has committed to achieving net-zero climate change impact by 2030.

At Grant Thornton Indonesia, we acknowledge the urgency of addressing climate change and its critical impact on our planet. Therefore, we are dedicated to transitioning towards low-carbon operations across all our services. We aspire to play a leading role in global sustainable initiatives and be at the forefront of decarbonization efforts.

Thus, we have defined our Carbon-Emission Reduction Commitment as follows:

- **Net-zero by 2030**
We will commit to achieving Net-zero Emissions by 2030. This means that the total GHG emissions generated from Grant Thornton Indonesia's operations will be balanced by an equivalent amount of carbon reduction and offsetting efforts.
- **Implementing Low-Carbon Operations**
We will transition towards low-carbon operations across all aspects of our business. This includes adopting energy-efficient technologies, reducing waste, promoting renewable energy sources, and optimizing transportation to minimize our carbon footprint.
- **Employee Engagement**
We recognize that our commitment to reducing carbon emissions requires a collective effort. At Grant Thornton Indonesia, our employees regularly undergo training regarding the importance of upholding ESG principles in all aspects of our firm.
- **Collaboration with Clients and Partners**
Starting this fiscal year, Grant Thornton Indonesia aims to collaborate with our clients and business partners to support their transition towards more sustainable practices and reduce their carbon footprint by providing ESG services. Together, we strive to amplify our impact towards achieving net-zero emissions.
- **Reporting and Accountability**
At Grant Thornton Indonesia, we will periodically deliver our sustainability reporting. This will involve regularly tracking our carbon emissions, ensuring transparency and accountability, and periodically sharing our progress with stakeholders.

Our Approach

To transform our commitment to reducing carbon emissions into reality, we have formulated three main actions:

1. Reducing our own emissions to align with the global net-zero emissions target, encompassing Scope 1, 2, and 3 emissions;
2. Offsetting any remaining emissions that we have been unable to eliminate through carbon offset initiatives;
3. Supporting our clients and stakeholders by offering ESG services, with the aim of fostering a collective movement and joint efforts towards addressing climate action and reducing carbon footprints.

Setting the Baseline of Our Scope of Emissions

Scope 1 - Direct Emission

As of the publication of this report, Grant Thornton Indonesia does not generate direct GHG emissions originating from sources under its control or ownership. This is attributed to Grant Thornton Indonesia's status as a tenant of Sampoerna Strategic Square. All resources within the office premises are directly owned and operated by building management, a third-party supplier.

The firm does not rely on natural gas for its office space operations, and it maintains only two operational refrigerators which are rented, the emissions of which are not considered in our baseline calculations. Additionally, the firm does not possess its own fleet of business vehicles, and as such, the calculations of scope 1 emissions are not incorporated into our GHG emission baseline.

“Businesses should comprehend sustainability as one of our cornerstones to create a future plan. Sustainability is a concept known previously for business since our local wisdom is still valued and part of our culture’s richness must be protected and passed down to future generations.”

**- Tagor Sidik Sigiro,
Economy and Environment Committee**

Scope 2 - Indirect Emission

This Indirect Emission (Scope 2) is associated with the purchase of electricity, steam, heat, or cooling equipment. In this context, Grant Thornton Indonesia accounts for electricity consumption supplied by our designated supplier, Sampoerna Strategic Square, acting as our property management.

Seen in the table below is a breakdown of our Electricity Consumption for the fiscal years 2022-2023, encompassing air conditioning consumption (measured in kWh).

Scope 3 - Indirect Emission*

This encompasses all other indirect emissions stemming from both upstream and downstream activities of the firm. In this context, the firm recognizes three key contributors that influence its operational activities. These factors are then incorporated into our baseline calculation for Scope 3 emissions, encompassing employee commuting, business travel, and office operations, with a specific focus on paper and cartridge usage.

A. Employee Commuting

Prior to the pandemic, the firm had a full-time, in-office work policy. However, beginning in 2021, the firm transitioned to a hybrid working model, allowing all employees the flexibility of working from home for two days and in the office for three days each week. The firm acknowledges that this new working model has not only enhanced the efficiency and productivity of its employees, but has also brought it closer to achieving sustainability goals.

B. Business Travel

Given the nature of consultancy services, our engagement involves providing services and actively being present for our clients. In certain instances, this necessitates working from client sites or arranging meetings at our clients' offices/headquarters. Consequently, business travel constitutes a notable factor contributing to our carbon footprint, encompassing various modes of public or private transportation, such as cars, trains, ships, and planes. The specific types of transportation and the distances traveled for business purposes are integral components in calculating our GHG emission baseline. Post-pandemic, the firm is committed to enhancing the efficiency of business

Period	Total Electricity Consumption (in kWh)	Total Employees	Consumption per Capita
2022	77,988.76	500	155.98
2023	115,679.80	580	199.45

Notes:

*Another scope 3 emission-related activity that may contribute the most is purchasing goods and services, however, due to no data available at the moment from our supply chain, thus this activity is being part of exclusion and limitation to our baseline calculation.

travel requirements by optimizing virtual meetings for routine updates with clients and reserving physical travel only for essential circumstances. To mitigate the carbon footprint associated with business travel for recruitment events, our Human Capital department has transitioned to fully virtual activities. This strategic shift not only minimizes the environmental impact of travel using various transportation vehicles but also enhances the overall effectiveness of the recruitment program.

C. Office Operations

Deliberately, the firm has instituted a policy aimed at reducing dedicated desks and expanding co-working spaces for employees. This intentional shift aligns with the adopted hybrid working model and fosters flexibility. The overarching goal of this initiative is to promote sustainability and efficiency by optimizing office space utilization, ultimately leading to a reduction in Grant Thornton Indonesia’s carbon footprint.

Furthermore, we actively monitor paper printing and cartridge usage on a per-employee basis as part of our commitment to minimize the direct environmental impact. Taking into account the mentioned considerations, we have established our Scope 1, 2, and 3 GHG emissions baseline for the year 2023. The data has been gathered from



the firm’s existing database and through an ESG survey distributed to all employees.

The calculation methodology is based on the guidelines provided in the Environmental Protection Agency’s (EPA) Center for Corporate Climate Leadership Greenhouse Gas Inventory Guidance with combined emission factor information from the Directorate General of Electricity Republic of Indonesia.

GHG Emission Scope	Parameter	Total Emission Baseline as of 2023 (MTCO2e)
Scope 1	Not relevant (operational vehicle, refrigerant, AC, natural gas) – Grant Thornton Indonesia do not have operational vehicles and do not use natural gas (For AC and refrigerant consumption, the number of consumption are already included in electricity consumption (Scope 2))	Not Applicable
Scope 2	Electricity consumption (using location-based approach)	92.5
Scope 3	Hybrid working model - Employee commuting	387.5
	Business travel	1,233.9
	Paper usage	8.1
Total		1,722
Total Emission per Capita		2.97

Notes:

- MTCO2e stands for metric tons of carbon dioxide-equivalent (this has considered multiple greenhouse gasses, including carbon dioxide, methane, and nitrous oxide).
- CO2, CH4 and N2O emissions are estimated using methodology provided in EPA’s Center for Corporate Climate Leadership Greenhouse Gas Inventory Guidance.
- For Scope 2 emission calculation, we used location-based approach which is using emission factor 0.80 for Jakarta area using JCM index 2019 released by Directorate General of Electricity, Ministry of Energy and Mineral Resources (https://jcm.ekon.go.id/en/index.php/content/Mzg%253D/emission_factor). The baseline calculation presented is an estimated figure, providing flexibility for refinement and increased accuracy in subsequent assessments.
- As of the release date of this report, the baseline is computed with a USA basis combined with emission factor from Directorate General of Electricity, given that the Indonesia-related authority has not officially introduced the Indonesia GHG emission guidance for Financial Services Sector. Consequently, there remains room for revision, updates, or refinements to the approach of this emission calculation in our forthcoming ESG reporting.

Our Initiatives Going Forward



Reducing Our Own Emissions



Offsetting Any Remaining Emissions



Supporting Our Clients and Stakeholders by Offering ESG Services

Reducing Our Own Emissions

We plan to account for our GHG emissions on an annual basis and have them tracked and evaluated based on the latest guideline standards that apply. This is to ensure they align with the Greenhouse Gas Protocol and best measurement practices. In 2023, we recorded our first GHG emission baseline by 1,722 MTCO₂ or 2.97 MTCO₂ per capita as our basis to track reductions throughout the next year.

Optimization on the Use of Public Transportation and Electric Vehicles (Scope 2 Emission)

We hold the conviction that a collective effort can yield substantial impact in reducing overall carbon emissions. Therefore, commencing this year, the firm is proactively promoting and encouraging employees to utilize public transportation, particularly when commuting to work. This initiative is designed to contribute significantly to the reduction of our collective carbon footprint.

Currently, it has been recorded that 43% of the employees already use public transportation, whereas 57% of them still use personal vehicles. We expect that this number can gradually increase by at least 5% to 10% per year, thus eventually monopolizing the majority that can use public transportation.

Moreover, we actively advocate for the adoption of electric vehicles among our employees, recognizing the dual benefits for the environment, as well as the individuals themselves. The firm is committed to collaborating with the government in promoting the use of electric vehicles, leveraging various incentives provided by governmental initiatives.

Making Our Office Spaces More Sustainable (Scope 2 Emission)

The firm is dedicated to enhancing operational efficiency and fostering a collaborative atmosphere among employees by reducing dedicated desks and increasing the availability of co-working spaces. This strategic shift not only encourages closer interaction among employees, but also contributes to minimizing any potential carbon footprint.

Additionally, the firm actively promotes mindfulness regarding electricity consumption. Reminders are placed in common rooms, urging employees to turn off lights when not in use and adopting various measures to optimize energy usage within the office.

In line with sustainability goals, the firm has implemented a stringent policy on daily air conditioning consumption. After 6 pm, the air conditioning is turned off, fostering a working environment that encourages a healthier work-life balance, enhances overall productivity, and reduces the risk of burnout. Exceptions are made only in specific cases where overtime is necessary.

Closely and Actively Engage with Our Suppliers for Green Movement (Scope 2 and Scope 3 Emission)

The firm is situated within Sampoerna Strategic Square, a green-certified establishment with which we maintain close collaboration. The building management has implemented a sustainable energy approach by integrating both renewable energy, harnessed through solar panels installed on the rooftop, and the conventional State Electricity Company (PLN) electricity source for all tenants' electricity consumption. Furthermore, energy-efficient lighting solutions, such as linear tube light LED and spot light LED, have been implemented on nearly all floors in Sampoerna Strategic Square, further contributing to environmental sustainability.

Platinum Awards - Green Certification

Our building management's proactive efforts have resulted in the attainment of green certification from the Green Building Council Indonesia (GBCI), receiving the prestigious "Platinum Awards" in acknowledgment of their commitment to sustainable and environmentally friendly practices.



Water and Waste

Regarding water consumption, it is a shared resource with other tenants on each floor, contributing to the building's total water consumption of approximately 350 m³ per day for the entire building, which is shared among over 50 tenants. Given the nature of our operations and the collaborative approach to resource use, our environmental footprint is not water-intensive. Consequently, we do not actively measure water withdrawals specifically for our office operations.

More Involvement in Environment-related Movement Activities and Engagement (Scope 3 Emission)

Grant Thornton Indonesia actively engages in annual corporate social responsibility activities aligning with social and environmental causes. Since 2022, the firm has eliminated plastic mineral water usage in client meetings, opting for reusable tumblers provided to all employees to reduce environmental impact.

This year, Grant Thornton Indonesia initiated a waste and recycle campaign in collaboration with Indorelawan (a third-party community service). The program aimed to educate employees about waste categorization (organic, inorganic, and hazardous) and encouraged them to donate waste to the waste bank as part of our CSR efforts.

From 2023 forward, all the employees' souvenirs will focus on sustainability. We have distributed tumblers to all employees and continue to promote its use as well as reusable personal cutleries and lunch boxes.



Encouraging a Hybrid Working Model and Reducing Travel (Scope 3 Emission)

Business travel, comprising 72% of our 2023 carbon footprint baseline, is a priority for sustainability. Building on pandemic measures, we are making essential travel more sustainable by:

- **Embracing new ways of working**
Our teams are implementing hybrid and remote working models that are more sustainable, inclusive, and productive.
- **Recruiting in a digital environment**
Leveraging technology in our recruiting process enhances accessibility and convenience for applicants. In 2023, virtual interviews and events were conducted, enabling candidates to engage with us from their homes, thereby reducing our carbon footprint.
- **Offsetting any remaining emissions**
This year marks our ESG commitment by starting to reduce our carbon footprints as possible. We have set our GHG emission baseline and target this year and we aim to achieve net-zero emissions by 2030. During the process, if we happen to not be able to entirely eliminate carbon emissions from our operational activities, we plan to engage with carbon-offsetting activities or projects that eventually can help to offset the remaining emission through our carbon-offset strategy seen in the graphic below.
- **Supporting our clients and stakeholders by offering ESG services**
The significance of sustainability is evident among clients, with many seeking guidance on preparing and implementing their ESG initiatives and reporting. Grant Thornton Indonesia, in collaboration with the affiliated global Grant Thornton network, is dedicated to enhancing and developing ESG capabilities and market approaches tailored to client needs. Our commitment is to accompany clients in delivering ESG services and ultimately supporting them in achieving net-zero emissions by 2050.

Our Carbon-Offset Strategy*

2023

Walk for Waste Recycling Event with Indorelawan

2024

Mangrove Planting with Mangrove Jakarta Community

2025

Tree Planting with NGOs

2030

Mangroves Planting and Sea Cleaning

2050

Carbon-offsetting Initiative with Sustainable Partners

*This strategy may be subject to revision in the future in accordance with the latest guidance and trends from our committee and government policies.



Commitment to Responsible Business Practices

Grant Thornton Indonesia is committed to establishing a clear framework surrounding optimal professional performance and ethical conduct. This internal infrastructure will construct the foundation of a healthy work culture that prioritizes company values without sacrificing the quality of client services we provide.

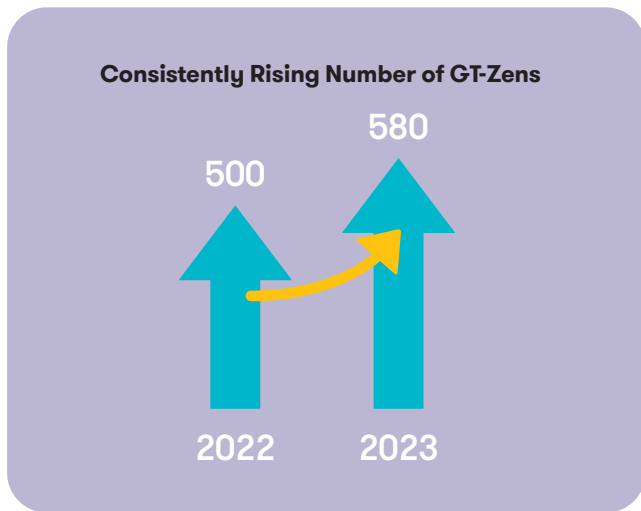
Our Values

As we move forward in developing and adhering to responsible business practices, we continue to ensure that all efforts fall within the scope of our CLEARR+T values.

Our CLEARR+T represents our firm values. These are principles we abide by in achieving both our short-term and long-term goals and targets, both internally and towards our clients and communities. These values allow us to unlock our company's and stakeholders' potential for dynamic growth in a way that not only complies with laws, regulations, and standards, but also epitomizes integrity.



Grant Thornton Indonesia Structure and Relationship



Grant Thornton Indonesia has grown consistently, rising from 500 employees in 2022 to 580 employees as of 2023. Out of these total employees, over 85% of all Grant Thornton Indonesia's employees are employed on permanent contracts throughout 2022-2023.

Grant Thornton Indonesia's leadership currently consists of 17 partners, with female partners making up 44% of this total. Our leadership team includes a QRMC, whose function is to conduct and monitor the firm's risk assessment process. This responsibility includes the identification of risks and the subsequent development of appropriate responses towards risk mitigation, allowing the firm's quality management system to work as intended. The QRMC consists of all Heads of Service Line, as well as Heads of Function, referring to the IT, HR (Human Resources), Marketing, and Finance divisions.

In addition, the QRMC also includes two additional leadership positions. The Quality Management Leader is responsible for developing policies and procedures related to the firm's quality management system, as well as ensuring system implementation, while the Quality Monitoring Leader is responsible for the monitoring of this system implementation based on the policies and procedures developed by the Quality Management Leader. The Quality Monitoring Leader will also identify any deficiencies found in the system's implementation. These two positions are independent of the QRMC itself to prevent any bias or conflict of interest.

With regards to areas of importance that concern ESG, Grant Thornton Indonesia has an ESG committee composed of 4 Partners & Directors that are responsible for balancing between an effective strategy that fulfills ESG standards and goals and an adequate protection of stakeholder interests, as well as the firm's strategy and direction.

In addition to all these positions of authority and leadership

looking to internally maintain and develop the firm's infrastructure, our firm also makes it a priority to protect and nurture its business relationships, particularly with parties and entities with a similar focus towards areas of importance related to ESG.

The most prominent relationship Grant Thornton Indonesia has is as a tenant of Sampoerna Strategic Square. Our three office floors are located in Sampoerna Strategic Square, which has a reputation as one of the few green buildings in Jakarta. Moving forward, our annual corporate responsibility initiatives will continue to involve collaboration with non-profit organizations with a wide range of activities towards social inclusion and environmental sustainability.

Internal Procedures

Grant Thornton Indonesia's internal procedures prioritize the maintenance of and adherence to responsible business practices, with regulations and procedures in place regarding client and engagement acceptance.

Our Risk and Regulatory team have created systems that ensure independence and ethical standards are followed when working with all clients. The firm also has policies in place in the form of a quality management manual and whistleblowing procedures, allowing employees to report any signs or instances of deviation from these standards.

The importance of these responsible business practices merits its dissemination into our work culture and environment at every level. All employees must attend annual ethics and independence training and fill out an annual independence statement declaring adherence to the rules and regulations in place. In addition, all incoming employees attend an onboarding session where they undergo initial orientation regarding these ethics and independence standards. All new employees are also required to complete training on an online platform that concerns data privacy and cybersecurity, covering topics such as phishing and application of the General Data Protection Regulation (GDPR).

"Through conscious implementation of our system of quality influenced by the changes driven by the current environment, together with our commitment in delivering quality services guided by our standards of conduct, we foster a culture with integrity and promoting efficiency and effectiveness which sets our basic foundation for continued success."

**- Marilyn I. Cezar,
Quality Monitoring Leader**

Standard of Conduct - Code of Ethics

In conducting the firm's operations, Grant Thornton Indonesia and all our personnel, as members of the International Federation of Accountants, adhere to the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants. This code of ethics is grounded in fundamental principles, including Integrity, Objectivity, Professional Competence and Due Care, Confidentiality, and Professional Behavior. To address threats, the IESBA Code of Ethics for Professional Accountants requires recognition, evaluation, and the implementation of suitable safeguards. Our firm policies are readily accessible to all personnel through the various internal platforms that are managed by GTIL and Grant Thornton Indonesia. The access to these platform is provided by the firm's IT support team. Updates on the firm's ethical requirements are communicated through various channels such as email, intranet, training programs, etc.

Human Rights

Grant Thornton Indonesia adheres to relevant regulations to prevent discrimination, ensuring fair treatment for all employees, and fostering a safe and comfortable work environment. We are committed to upholding the rights of our employees and fulfilling our obligations as a firm.

Throughout this, we welcome constructive feedback aimed at continuous improvement. Any feedback, including needs and complaints, will be carefully reviewed and discussed to inform further enhancements.

While we are not a unionized workplace, we follow applicable labor and employment legislation and solicit feedback from our colleagues about their issues and needs, which is backed by our policies that promote a retaliation-free culture of reporting.

Maintain Independence and Compliance

Conflicts of interest may potentially arise during the practice of our profession. The potential threats must be properly addressed by understanding the engagement objectives and the associated parties, which may include the clients, suppliers, consumers, lenders, shareholders, and other parties. In order to maintain independence and manage potential conflicts, Grant Thornton Indonesia conducts International Relationship Check (IRC) and Local Conflict Check (LCC) as part of its client and engagement acceptance and continuance procedures.

Promote a Culture of Openness

Grant Thornton Indonesia has established a robust whistleblowing system to provide a secure platform for individuals to confidentially and without fear of reprisal report any potential corporate improprieties of concern. We emphasize that everyone has the right to speak up and be heard by adhering to our whistleblowing policy, upholding the core value of Trustworthiness. Individuals with specific matters to report can freely do so through our website, enabling Grant Thornton Indonesia to promptly and efficiently address and investigate the issues raised.





APPENDICES

Global Reporting Initiative (GRI) Content Index

Statement of use	Grant Thornton Indonesia is in the process to report the information cited in this GRI content index for the period of 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

Environment Disclosure			
Materials			
Materials	301-2	Recycled input materials used	Our initiatives going forward - Scope 3 Emission, Page [27] Since 2022, Grant Thornton Indonesia has phased out plastic mineral water for client meetings and provided Grant Thornton Indonesia tumblers to all employees.
Materials	301-3	Reclaimed products and their packaging materials	Our Environment-related Commitments, page [21] Grant Thornton Indonesia has adopted sustainable practices, including reusing personal cutlery, minimizing the use of styrofoam by switching to paper boxes, and reducing printed paper usage (e-signature implementation).
Energy			
Energy	302-1	Energy consumption within the organization	Scope of Emissions - Scope 2 - Indirect Emissions, page [24]
Energy	302-2	Energy consumption outside the organization	Scope of Emissions - Scope 3 - Indirect Emissions, page [24]
Energy	302-4	Reduction of energy consumption	Refining our science-based target 1.78 MTCO ₂ e per capita by 2030, page [26]
Water and Effluents			
Water	303-1	Interactions with water as a shared resource	The building shares water consumption among tenants on each floor, totaling around 350 m ³ /day for the entire building, accommodating over 50 tenants.
Water	303-5	Water consumption	Our initiatives going forward - Water & Waste, Page [27] The building shares water consumption among tenants on each floor, totaling around 350 m ³ /day for the entire building, accommodating over 50 tenants.
Biodiversity			
Biodiversity	304-1	Area of high biodiversity value outside protected areas	Grant Thornton Indonesia is presently not situated in areas with high biodiversity value and protection.
Biodiversity	304-2	Significant impacts on biodiversity	Commitment at-scale on Social Responsibility, page [20] Pre-pandemic, employees engaged in planting mangroves in the Muara Gembong.

Emissions			
Emissions	305-1	Direct GHG emissions	Refer to section: Setting the baseline of our Scope of Emissions - Scope 1 Emission, page [24]
Emissions	305-2	Energy indirect GHG emissions	Refer to section: Setting the baseline of our Scope of Emissions - Scope 2 Emission, page [24]
Emissions	305-3	Other indirect GHG emissions	Refer to section: Setting the baseline of our Scope of Emissions - Scope 3 Emissions, page [24]
Emissions	305-4	Reduction of GHG emissions	Refer to section: Our Initiative Going Forward, page [26]
Emissions	305-6	Emissions of ozone-depleting substances (ODS)	Grant Thornton Indonesia has no influence on these indicators (305-6 Emissions of ozone-depleting substances) as they are not within our operational scope or activities.
Emissions	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Grant Thornton Indonesia has no influence on these indicators (305-7 Nitrogen oxides, sulfur oxides, and other significant air emissions) as they are not within our operational scope or activities.
Waste			
Waste	306-1	Waste generation and significant waste-related impacts	Grant Thornton Indonesia implements a recycling initiative for waste management, and Sampoerna Strategic Square has a waste management policy emphasizing water conservation. Our building Management collaborates with third-party vendors for waste disposal.
Waste	306-2	Management of significant waste-related impacts	
Supplier Environmental Assessment			
Supplier	308-1	New suppliers screened using environmental criteria	We currently apply green criteria exclusively to the management of our office building, Sampoerna Strategic Square. Moving forward, we plan to extend these environmental criteria to new suppliers that directly impact or have the potential to affect the environment and social aspects.
Supplier	308-2	Negative environmental impacts	No negative environmental impacts have been identified in our supply chain, and appropriate actions have been taken to maintain this status.
Social and Economic Disclosure			
Economics			
Economic Performance	201-1	Direct economic value generated and distributed	Refer to section: Commitment at-scale on Social Responsibility, page [20]
Economic Performance	201-2	Financial implications and other risks and opportunities	Refer to section: Commitment at-scale on Social Responsibility, page [20]
Economic Performance	201-3	Plan obligation and other retirement plans	Refer to section: Health and Well-being, page [19]
Economic Performance	201-4	Financial assistance	Grant Thornton Indonesia has not received any financial assistance from government.
Market			
Market Presence	202-1	Ratios of standard entry level wage by gender	Refer to section: Pay Equity at Grant Thornton Indonesia, page [19]
Market Presence	202-2	Proportion of senior management	Refer to section: Comprehensive Approach to DE&I, page [15]
Employment			
Employment	401-1	Hires and turnover	Refer to section: Reaching Talent of the Future, page [18]
Employment	401-2	Benefit	Refer to section: Health and Well-being, page [19]
Employment	401-3	Parental leave	Grant Thornton Indonesia consistently followed government regulations.

Occupational Health and Safety			
Health and Safety	403-1	Occupational health and safety management system	Followed Sampoerna Strategic Square's policy for building safety management and the building management regularly arrange for fire drill simulation and other safety activities for the tenants.
Health and Safety	403-5	Training on occupational health and safety	
Worker Health	403-6	Promotion of worker health	Refer to section: Mental Health, page [19]
Training and Education			
Training	404-1	Average hours of training per year/employee	Ensure all the employees to well-trained with a specific skills that matters to their work contribution; Acceleration on Talent Growth - Training, page [17]
Training	404-2	Programs for upgrading employee skills and transition assistance programs	Refer to section: Acceleration on Talent Growth - Training, page [17]
Training	404-3	Regular performance and career development	Refer to section: Acceleration on Talent Growth - Promotion, page [17]
Diversity and Equal Opportunity			
Diversity and Equality	405-1	Diversity of governance	Refer to section: Comprehensive Approach to DE&I, page [15]
Diversity and Equality	405-2	Ratio of basic salary and remuneration	Refer to section: Health and Well-being, page [19]
Non-Discrimination			
Non-Discrimination	406-1	Discrimination	Refer to section: Harmony in Diversity, page [14]
Security Practices			
Security	410-1	Security personnel trained in human rights policies or procedures	Sampoerna Strategic Square has a regular safety and first aids training for their security officers, this also relates to how to save people in case of emergency.
Local Communities			
Communities	413-1	Operations with local community	Grant Thornton Indonesia upholds a strong commitment towards SDGs contribution by doing a business responsible regularly refer to Commitment at-scale on Social Responsibility, page [20]
Governance Disclosure			
General Disclosure			
General Disclosure	2-2	The organization's sustainability reporting	This sustainability report is prepared by Grant Thornton Indonesia which is comprised of KAP Gani Sigiuro Handayani and its affiliates.
General Disclosure	2-3	Reporting period	Grant Thornton Indonesia publishes annual reports for Government Employees with a Work Agreement (PPPK) and OJK.
General Disclosure	2-4	Restatements of information	There is currently no restatement of information.
General Disclosure	2-5	External assurance	There is currently no external assessment from a third party that is factored into our ESG reporting.
General Disclosure	2-6	Activities, value chain, and other business relationships	Relationships with ESG-conscious entities include client relationships with clients in the financial services sector, a tenant relationship with the building lessor, and CSR collaborations.
General Disclosure	2-7	Employees	The number of employees of Grant Thornton Indonesia keep rising since 2021, in which per 2023 has marked the total employees as 580.

General Disclosure			
General Disclosure	2-9	Governance structure and composition	To monitor the risk assessment process and develop the policy and procedure related to the firm management quality, Grant Thornton Indonesia has provided QRMC, Quality Management Leader, Quality Monitoring Leader, and ESG Committee.
General Disclosure	2-15	Conflict of interest	Grant Thornton Indonesia regularly conducts independence and conflict checks in accordance with the professional public accountant code of ethics.
General Disclosure	2-16	Communication of critical concerns	Regulated in our information and communication policy.
General Disclosure	2-17	Collective knowledge	Provide ESG training about the standards and implementation of sustainability reporting.
General Disclosure	2-19	Remuneration policies	Grant Thornton Indonesia follows the government regulation about employees benefits and remuneration.
General Disclosure	2-23	Policy commitments	Refer to section: Sustainability: Our Environment-related Commitments, page [21]
General Disclosure	2-24	Embedding policy commitments	
General Disclosure	2-25	Remediate negative impacts	Refer to the Grant Thornton Indonesia Quality Management Manual (QMM), Whistleblowing, and Internal Communication Policies.
Material Topics			
Material Topics	3-1	Process to determine material topics	Refer to section: Our Approach to Materiality, page [12]
Material Topics	3-2	List of material topics	
Material Topics	3-3	Management of material topics	
Anti-corruption 2016			
Anti-corruption	205-1	Operations assessed for risks related to corruption	No potential risk of corruption and incident found within the organization.
Anti-corruption	205-2	Confirmed incidents of corruption and actions taken	
Tax 2019			
Tax	207-1	Approach to tax	Followed government policy.
Tax	207-2	Tax governance, control, and risk management	Tax recap, tax reconciliation, and tax compliance.

Sustainability Accounting Standards Board (SASB) Index

Disclosure Topics	Accounting Metrics	Code	Response
Data Security	Approach to identify and address data security risks	SV-PS-230a.1	Grant Thornton Indonesia has also conducted cyber security by several protections and mitigations such as: a. Grant Thornton Indonesia has issued information security policy; b. Mandate cyber security training; c. Grant Thornton Indonesia office has obtained Cyber Security Certification; d. Engage Cyber Security insurance as mitigation; e. Enforce security assessment to all IT-related applications; and f. Comply with IT security audit from GTIL.
	Policies and practices of collection, usage, and retention of customer information	SV-PS-230a.2	Grant Thornton Indonesia has issued specific Internal Policy based on the public accountant's code of ethics in relation to confidentiality awareness and protection. Grant Thornton Indonesia has maintained awareness of its employees by several interactive actions such as: a. Require every new joiner to have information security training; b. Conduct annual training for code of ethics for employees which includes confidentiality of client's information and its protection. In terms of service engagement: We ensure all relevant service professionals and administration team to respect and comply with any specific non-disclosure agreement and/or confidentiality clause from our standard service engagement letter. In terms of manpower management: a. Grant Thornton Indonesia has included coverage on obligation to protect confidentiality of information in its standard working contract and its firm's regulations; b. Grant Thornton Indonesia requires and ensures employees to sign declaration letters regarding recognition and awareness of the Grant Thornton Indonesia's policy on confidentiality; c. In regard to employee terminations, Grant Thornton Indonesia oversees the completion of exit clearance forms and requires an integrity statement. This ensures former employees' commitment to returning all client data and maintaining the confidentiality of information acquired during their tenure at Grant Thornton Indonesia.
	(1) Number of data breaches; (2) Percentage involving customer's confidential business information (CBI) or personally identifiable information (PII); (3) Number of customers affected.	SV-PS-230a.3	(1) As of the release of this report, Grant Thornton Indonesia has not experienced any cases of data breaches; (2) Numbers of CBI and PII are proprietary information. No known data breaches. (3) No known data breaches.

Disclosure Topics	Accounting Metrics	Code	Response
Workforce Diversity and Engagement	Percentage of gender and racial/ethnic group representation	SV-PS-330a.1	Grant Thornton Indonesia has persisted balanced ratio of men and women to equally ~50:50 for each position. We also raise diversity by hiring employees from different origins.
	(1) Voluntary and (2) Involuntary turnover rate for employees	SV-PS-330a.2	25% of turnover rate as of June 2022 - July 2023.
	Employee engagement as a percentage	SV-PS-330a.3	We continuously offer a place to hear our colleague's expressions towards the working atmosphere through Grant Thornton Indonesia People Voice.
Professional Integrity	Approach to ensure professional integrity	SV-PS-510a.1	Integrity is one the core values of Grant Thornton Indonesia. We put this in practice as follows: a. Policy is in place that mandates all employees of Grant Thornton Indonesia to abide by the requirements of IESBA Code of Ethics which include integrity as guiding principles. b. The firm conducts regular trainings for all employees to ensure that our employees are aware of Ethics policies and requirements. c. Grant Thornton Indonesia has also put in place and monitors the conduct of conflict and independence checks d. Employees can confidently speak up thru whistleblowing reporting.
	Result of legal proceedings	SV-PS-510a.2	As of the release of this report, Grant Thornton Indonesia has not experienced any material monetary losses cases associated with professional integrity.
Metrics	Number of employees	SV-PS-000.A	Grant Thornton Indonesia consistently offers the opportunity of an international internship experience in a collaborative working atmosphere. The number of employees of Grant Thornton Indonesia keep rising since 2021, in which per 2023 has marked the total employees as 580.
	Working time	SV-PS-000.B	Grant Thornton Indonesia applies flexible working hours (9 hours per day) and adopted 2 schemes of working systems; work from office (WFO) and work from home (WFH).

Task Force on Climate-Related Financial Disclosure (TCFD) Index

Recommended disclosures	Response
Governance	
Board's oversight climate-related risks and opportunities	ESG management, governance, and implementation will be supervised by the ESG Committee.
Management's roles in assessing and managing climate-related risks and opportunities	Our ESG Committee will assist our Leadership & Management in managing risks related to ESG including climate-related risk and opportunity based on their roles and responsibilities as described in the ESG Committee Internal Memo.
Strategy	
Climate-related risks and opportunities over the short, medium, and long term	<p>Our Risk: Our firm has identified climate-related risks over the short term and long-term:</p> <p>Short-Term:</p> <ol style="list-style-type: none"> 1. The risk of not able to meet changing clients' behavior where clients might have certain expectation on how transparent we are as a firm in terms of environmental, sustainability, and climate action. 2. As part of global networks that is currently supporting ESG-based operational activities, Grant Thornton Indonesia need to ensure that every decision and move that we make in the firm and through our services based on climate-awareness and whether those activities will potentially harm our environment and surroundings or not. <p>Long-Term:</p> <p>Our inspiration is to be able to have a green supply chain cycle that involves directly towards our Business Operation as a consultancy firm. Thus, we will be proactively engaging with current suppliers/vendors that have the same visions with us in contributing positively towards the climate and environment or at least gain their awareness on how important it is to be a green/eco-friendly supplier.</p>
Impact of climate-related risks and opportunities on Grant Thornton Indonesia's business, strategy, and financial planning	As we have prepared this first ESG report for our firm, we realize the potential impact of ESG on our overall business strategy and its indirect impact towards our future financial performance. This means that we might need to allocate more budgets towards environment and CSR activities going forwards as we want to implement our ESG goals so we can 'walk the talk'. In this case, it might affect our financial figure in a short period of time, however, we believe that the more efficient we can be, the higher the impact would be, including the financial impact. We hope we can gain more trusts from our stakeholders including clients which will eventually can support our business performance in the long run.
Description on the resilience of the Grant Thornton Indonesia's strategy, taking into consideration different climate-related scenarios	As one of the most trusted accounting and financial consulting firms, Grant Thornton Indonesia believes that the pressure from stakeholders especially from our big clients who require us to implement ESG and aware on climate issues is aimed not only to our firm but to the entire consultancy ecosystem. Even though our firm has seen low-carbon activities generated through our operations, we have committed to start from small steps to put our mind towards sustainability. Grant Thornton Indonesia has identified activities that carry potential climate risks and has prepared mitigation plans for each risk to build resilience in the face of climate challenges.
Risk Management	
Processes for identifying and assessing climate-related risks	Grant Thornton Indonesia acknowledges the urgency of climate change and is committed to developing environmental-related programs to integrate sustainability into our operations. Our commitment also aligns with Grant Thornton International's initiative as part of our collective social movement as a unified group.
Process of managing climate-related risks	Grant Thornton Indonesia has identified 5 priorities on the environmental criteria, inspired by Grant Thornton Global Network:
Processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	<ol style="list-style-type: none"> 1. Reducing physical footprint by having hybrid working model and virtual recruitment events; 2. Minimizing GHG emissions related to business travel and office operations; 3. Reducing consumption and promoting recycling of consumables; 4. Promoting waste management and recycling within the internal organization; 5. Reducing consumption and promoting the reuse of electronic equipment.

Metrics and Target	
Metrics used by the organization to assess climate-related risks and opportunities	For our first report, we determined our climate-related risks and opportunities based on GHG protocol where we start to determine our scope 1, 2, and 3 emission that are contributed from our business operational as well as our supply chain. Based on this emission data categories, we have further assessed our climate-related risks due to our carbon footprints. From the risks that occur and have been identified, we, therefore, determine our efforts as part of opportunities in reducing the potential risks that relate to climate.
Data on Scope 1, Scope 2, and, if appropriate Scope 3 GHG Emissions	Refer to section: Setting the Baseline of Our Scope of Emissions, page [24]
Targets used to manage climate-related risks and opportunities and performance	Refer to section: Our Sustainability Goals, page [10]



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