LA TOFI SCHOOL OF SOCIAL RESPONSIBILITY
NAVIGATE THE CHANGE
INDONESIA

CERTIFICATE OF GLOBAL RECOGNITION

PORTMAN UNIVERSITY
EDUCATION Empowering Superintelligence
CHICAGO, USA

3RD ASIAN IMPACT AWARDS & CEPI RECOGNITION 2026

PRESENTED TO

PT PERTAMINA GAS OPERATION WEST JAVA AREA (OWJA)

RECOGNIZED PROGRAM

MEGAMENDUNG (MENDUKUNG GERAKAN EKONOMI DESA UNGGUL)

AWARD CATEGORY

EARTH RESTORATION & ECOLOGICAL RESILIENCE

IMPACT NARRATIVE

Before: Climate change, urbanization, shrinking productive land, water constraints, and rising feed costs were placing increasing pressure on dairy farmers. Livestock waste also carried environmental risks, while farming families remained vulnerable to higher production costs and declining resilience.

Transformations: Through MEGAMENDUNG, these interconnected risks are being transformed into an integrated system of feed, water, energy, and product security. Collective forage cultivation, improved irrigation, community capacity building, and four biogas installations help farmers reduce costs while turning livestock waste into productive renewable energy.

Significance: MEGAMENDUNG demonstrates that resilience grows when environmental solutions strengthen livelihoods. What was once waste becomes energy; scarce resources are managed collectively; and climate vulnerability becomes an opportunity to build a more adaptive, circular, and self-reliant rural economy.

RECOGNITION LEVEL

PLATINUM GLOBAL RECOGNITION 96.15 & CEPI CHAMPION CANDIDATE 2.71
THE PROGRAM BELONGS TO RISK HIGH – ACTION HIGH CATEGORY (LEADER QUADRANT)

PROGRAM ASSESSMENT USING THE LA TOFI ESG RATING AND CEPI METHODOLOGY HAS BEEN VALIDATED THROUGH PORTES™ 1.0 UNDER OUR COLLABORATION BETWEEN PORTMAN UNIVERSITY AND LA TOFI SCHOOL OF SOCIAL RESPONSIBILITY

THIS CERTIFICATE, ACCOMPANIED BY TWO APPENDICES OF LA TOFI ESG RATING AND TWO APPENDICES OF CEPI, IS HEREBY ISSUED IN JAKARTA ON OCTOBER 21, 2026

LA TOFI ESG RATING
CEPI CORPORATE ECONOMIC PROTECTION INDEX
PORTES™ 1.0 Global ESG Standard PORTMAN UNIVERSITY & LA TOFI SCHOOL

LA TOFI
PRINCIPAL ASSESSOR LA TOFI ESG RATING, FOUNDER & OWNER ASIAN IMPACT AWARDS – INTERNATIONAL RECOGNITION FOR ESG IMPACT AND LEADERSHIP

- **CATEGORY LA TOFI ESG RATING**: SCORE 85 - 100 — PLATINUM GLOBAL RECOGNITION, SCORE 70 - 84 — GOLD GLOBAL RECOGNITION, SCORE 55 - 69 — SILVER GLOBAL RECOGNITION, SCORE 0 - 54 — BRONZE GLOBAL RECOGNITION.
- **CATEGORY CEPI**: CEPI ≥ 2.50 — CHAMPION CANDIDATE, CEPI 1.50 – 2.49 — CHAMPION CANDIDATE, CEPI 1.00 – 1.49 — QUALIFIED PROTECTION, CEPI < 1.00 — IMPROVEMENT NEEDED.

GRAIA2026016

RECOGNIZED PROGRAM
MEGAMENDUNG (MENDUKUNG GERAKAN EKONOMI DESA UNGGUL)

BY
PT PERTAMINA GAS - OPERATION WEST JAVA AREA (OWJA)

FOLLOWING AN ASSESSMENT CONDUCTED USING THE LA TOFI ESG RATING ASSESSMENT FRAMEWORK, THIS PROGRAM HAS BEEN AWARDED

PLATINUM GLOBAL RECOGNITION

ASSESSMENT PILLAR	SCORE	WEIGHT	WEIGHTED SCORE
LRMI (Local Risk Mapping Index)	100.00	**20%**	**20.00**
RSAI (Risk–Strategy Alignment Index)	100.00	**25%**	**25.00**
AMS (Action Mitigation Score)	93.00	**35%**	**32.55**
FVS (Field Verification Score)	93.00	**20%**	**18.60**
TOTAL		**100%**	**96.15**

- LRMI (100) → All five identified local risks reached the materiality threshold. The assessment captures interconnected environmental, social, and governance exposures involving forage and productive land, water access, livestock waste and emissions, local institutional capacity, and stakeholder relations.
- RSAI (100) → All significant risks are connected to program strategies and interventions. MEGAMENDUNG translates local risks into an integrated response through Feed & Water Security and Energy & Product Security, supported by community capacity building and collective management.
- AMS (93) → Mitigation actions demonstrate strong scale, effectiveness, and sustainability. The program combines irrigation rehabilitation, collective forage cultivation, improved grass varieties, four biogas installations, technical assistance, and institutional strengthening. The remaining improvement opportunity lies mainly in deeper longitudinal measurement of several outcomes.
- FVS (93) → Field verification through desk review is supported by substantial quantitative evidence, including reductions in feed and energy costs, management of livestock waste, greenhouse-gas reductions, community participation, and institutional outcomes. Further strengthening is required particularly for direct water-security measurements and dedicated reputation/Social License to Operate indicators.

The program achieved an overall **Recognition Score of 96.15**, placing it within the **Risk High – Action High (Leader Quadrant)** under the **La Tofi ESG Rating Assessment Framework**, conducted in accordance with the **PORTES™ 1.0 Global Standard**.

Why Risk High? - MEGAMENDUNG responds to interconnected environmental, livelihood, and governance risks affecting dairy farmers: shrinking productive land and forage availability, water constraints, livestock waste and emissions, institutional capacity, and stakeholder relations. Their combined effects have material implications for community resilience and sustainable dairy farming.

Why Action High? - The program converts those risks into an integrated mitigation ecosystem. Feed and water interventions strengthen production resilience; biogas transforms livestock waste into renewable energy; community capacity building strengthens local ownership; and multi-stakeholder collaboration supports continuity. Quantified outcomes demonstrate that mitigation has progressed beyond activities toward measurable environmental and economic results.

GAP COEFFICIENT ANALYSIS

PT PERTAMINA GAS - OPERATION WEST JAVA AREA (OWJA) achieved an overall score of 96.15 (Platinum Global Recognition).

Gap = 1 – 0,9630 = **0,0385**

The remaining 3.85% gap toward the ideal ESG alignment score indicates that MEGAMENDUNG has achieved a very high degree of alignment between local material risks, strategic response, mitigation actions, and impact verification. The remaining gap is concentrated primarily in the depth of outcome measurement rather than in the fundamental design of the program. Stronger baseline–endline evidence for water security, longitudinal measurement of farmer income and livelihood resilience, direct stakeholder perception measurements, and more structured verification of environmental outcomes would further strengthen the program's evidence base.

STRATEGIC IMPROVEMENT PRIORITIES

1. **Strengthen Water-Security Outcome Measurement**. Develop baseline–endline indicators covering water availability, irrigated area, seasonal reliability, forage productivity, and the contribution of improved water access to production resilience.
2. **Develop Longitudinal Livelihood Indicators**. Measure changes in farmer income, production costs, productivity, household economic resilience, and dependence on externally purchased feed over multiple periods.
3. **Strengthen Environmental Impact Verification**. Support waste-management, river-pollution, renewable-energy, and GHG-reduction claims with documented measurement methodologies, calculation bases, monitoring records, and where possible independent verification.
4. **Measure Reputation and Social License to Operate**. Introduce periodic indicators covering stakeholder trust, community satisfaction, grievance trends, acceptance of company operations, and perceived company contribution to local development.
5. **Integrate Investment and Economic-Protection Measurement**. Document total program investment and connect it systematically with economic value protected or created. This would enable stronger assessment of the relationship between ESG intervention, risk reduction, and economic protection.

With this achievement, PT PERTAMINA GAS - OPERATION WEST JAVA AREA (OWJA) receives Platinum Global Recognition and is positioned in the Leader Quadrant under the La Tofi ESG Rating 2026.

PROGRAM
MEGAMENDUNG (MENDUKUNG GERAKAN EKONOMI DESA UNGGUL)

IMPLEMENTED BY
PT PERTAMINA GAS - OPERATION WEST JAVA AREA (OWJA)

BASED ON THE LA TOFI ESG RATING METHODOLOGY
CHAMPION CANDIDATE

SUMMARY OF RISK ANALYSIS AND FINANCIAL RISK EXPOSURE (FRE)

No.	Material Risk	P×I	Risk Weight	V (Rp)	FRE Baseline	SEF	PIF	FRE Adjusted
1	Feed Scarcity & Loss of Productive Land Due to Climate Change and Urbanization	25	1	1,300,000,000	1,300,000,000	50%	95%	**617,500,000**
2	Limited Water Availability & Access for Forage Cultivation	16	0.64	900,000,000	576,000,000	50%	90%	**259,200,000**
3	Livestock Waste Accumulation, Environmental Pollution & Greenhouse Gas Emissions	16	0.64	1,150,000,000	736,000,000	50%	95%	**349,600,000**
4	Weak Local Institutional Capacity for Resource Management & Adaptive Dairy Farming	12	0.48	650,000,000	312,000,000	50%	90%	**140,400,000**
5	Corporate Reputation & Social License to Operate Risk	12	0.48	1,000,000,000	480,000,000	50%	75%	**180,000,000**
	TOTAL			**5,000,000,000**	**3,404,000,000**			**1,546,700,000**

FRE BASELINE: RP 3,404,000,000
REPRESENTS THE ESTIMATED ECONOMIC RISK EXPOSURE OF THE OPERATIONAL UNIT IN THE ABSENCE OF THE PROGRAM.

FRE ADJUSTED: RP 1,546,700,000
REPRESENTS THE PORTION OF ECONOMIC RISK EXPOSURE THAT FALLS WITHIN THE PROGRAM'S SCOPE AND CAN BE EFFECTIVELY MITIGATED THROUGH THE PROGRAM'S INTERVENTIONS.

ECONOMIC PROTECTION VALUE ASSESSMENT

Risk Mitigation Effectiveness (RME)
AMS = 93
FVS = 93
RME = 93%

Economic Protection Value (EPV)
EPV = FRE Adjusted × RME
EPV = Rp 1,438,431,000

Total Program Investment Rp 530,000,000
Corporate Economic Protection Index (CEPI) = 2.71

STRATEGIC INTERPRETATION

A CEPI score of 2.71 places MEGAMENDUNG in the Champion Candidate category. Every IDR 1 invested is associated with approximately IDR 2.71 of protected economic value. By strengthening feed and water security, managing livestock waste through renewable energy, and building local institutional capacity, MEGAMENDUNG reduces interconnected environmental, livelihood, and stakeholder risks. The program demonstrates that sustainability investment can function not only as community development, but also as a mechanism for risk mitigation, resilience, and long-term economic value protection.