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 PERUSAHAAN GAS NEGARA (PERSERO) TBK - OFFTAKE STASIUN PANARAN

RECOGNIZED PROGRAM

PELITA TEMBESI (PEMBERDAYAAN LINGKUNGAN TANGGUH DAN ASRI TEMBESI)

AWARD CATEGORY

HUMANITARIAN ACTION, JUST TRANSITION & SOCIAL RESILIENCE

IMPACT NARRATIVE

Before: Pulau Lance lived with persistent vulnerability: unmanaged waste, recurring tidal floods, household incomes dependent on the sea, and limited economic opportunities for women.

Transformations: PELITA Tembesi has transformed those vulnerabilities into collective strength. Waste is managed through a community waste bank, gonggong shells are turned into productive resources, women grow through local enterprises, fishermen are strengthened through cooperatives, and communities are building disaster preparedness together with local authorities.

Significance: The greatest change is not simply less waste or higher income. It is the growth of community capability—the confidence to organize, adapt, and face risks together. PELITA Tembesi shows that when a company moves beyond assistance and invests in capacity, institutions, and shared resilience, social investment becomes something greater: a foundation for stronger coastal communities and a more sustainable future.

RECOGNITION LEVEL

PLATINUM GLOBAL RECOGNITION 95.60 & CEPI CHAMPION CANDIDATE 2.73

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.

GRAIA2026006

RECOGNIZED PROGRAM

PELITA TEMBESI (PEMBERDAYAAN LINGKUNGAN TANGGUH DAN ASRI TEMBESI)

BY

PT PERUSAHAAN GAS NEGARA (PERSERO) TBK - OFFTAKE STASIUN PANARAN

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)	92.00	**35%**	**32.20**
FVS (Field Verification Score)	92.00	**20%**	**18.40**
TOTAL		**100%**	**95.60**

- **LRMI (100)** → All local risks established as the basis of the assessment were successfully identified as significant risks. These include environmental degradation caused by unmanaged household waste, environmental pressure from gonggong shell waste, vulnerability to tidal flooding, household economic vulnerability and limited women's economic participation, as well as reputational risk and potential disruption to the company's Social License to Operate. The PDIS report confirms that these local challenges are closely associated with limited community capacity to independently manage environmental and economic resources and insufficient resilience to disasters.
- **RSAI (100)** → All five significant risks have been comprehensively translated into program strategies. Risk mitigation is delivered through BERSIH Tembesi, PERKASA Tembesi, GARUDA Tembesi, strengthened community institutions, waste-bank management, gonggong shell processing, MSME and cooperative development, and disaster preparedness initiatives. The program is supported by documented implementation indicators, beneficiary targets, inputs, and budget allocations.
- **AMS (92)** → The program demonstrates a very high quality of mitigation action. The Waste Bank has managed 14.35 tonnes of inorganic waste and 1,440 kg of organic waste; Godhong Ku MSME has developed into a recurring productive economic activity; the cooperative has strengthened fishermen's economic capacity; POKLASHAR has developed the utilization of gonggong shells; and GARUDA has begun establishing a community-based tidal-flood preparedness system. The score has not reached the maximum because some interventions—particularly gonggong shell management and DESTANA—still require broader scale and stronger evidence of long-term outcomes.
- **FVS (92)** → Field verification through desk review is exceptionally strong. The PDIS applies quantitative indicators, primary data, beneficiary interviews, group financial records, stakeholder mapping, outcome monetization, as well as analyses of deadweight, attribution, drop-off, and displacement to minimize the risk of overclaiming impacts. Further improvement is primarily required in the direct measurement of the environmental impacts of gonggong shell management, longitudinal disaster-resilience outcomes, and dedicated indicators for reputation and Social License to Operate.

The program achieved an overall **Recognition Score of 95.60**, 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? - An LRMI score of 100 indicates that all risks forming the basis of the program are considered highly material. The program operates in a context characterized by unmanaged waste and declining environmental quality, gonggong shell waste, recurring tidal flooding, household dependence on unstable sources of income, limited economic participation among women, and the need for the company to maintain constructive and trusted relationships with surrounding communities. These are not hypothetical risks. The assessment documents identify unmanaged waste, limited income and access to capital, a high dependence on fishing livelihoods, inadequate disaster preparedness, and health vulnerabilities within the coastal community.

Why Action High? - PELITA Tembesi does not rely on stand-alone assistance or isolated activities. Instead, it has developed an ecosystem of mitigation connecting waste management, agriculture, waste utilization, MSMEs, cooperatives, fishermen, health interventions, and disaster preparedness. The quality of action is further strengthened by broad stakeholder participation, including Batam City Environmental Agency, Tembesi Subdistrict Government, Batam City Disaster Management Agency, Food Security and Agriculture Agency, community health services, local community groups, MSMEs, cooperatives, and other local institutions.

GAP COEFFICIENT ANALYSIS

PT PERUSAHAAN GAS NEGARA TBK. - OFFTAKE STASIUN PANARAN achieved an overall score of 95.60 (Platinum Global Recognition).

Gap = 1 – 0,9560 = **0,0440**

The PELITA Tembesi Program therefore has a remaining gap of only 0.044 or 4.40% toward the ideal performance level of 100%. This relatively small gap demonstrates a very high level of alignment between local risks, mitigation strategies, implementation quality, program outcomes, and supporting evidence. The program not only demonstrates a strong understanding of local community challenges, but has also developed interconnected response mechanisms supported by local institutions and a circular-economy value chain. The main opportunity for improvement now lies in strengthening measurement quality. The program already has extensive evidence of activities and outcomes, but several areas require stronger longitudinal data and more direct indicators so that changes in residual risk can be demonstrated objectively.

STRATEGIC IMPROVEMENT PRIORITIES

1. **Strengthen Baseline and Quantitative Outcome Measurement for Gonggong Shell Waste**. The SI GOPAL innovation and POKLASHAR represent some of the program's most distinctive elements. However, their measurement framework should be strengthened. The company should systematically document the total volume of gonggong shell waste generated before the program, the volume collected, the percentage successfully processed, SI GOPAL production volumes, utilization rates, and the annual reduction in residual shell waste.This would enable the transition from a waste problem to a circular resource to be demonstrated through measurable environmental outcomes rather than primarily through training participation or product creation.
2. **Complete and Institutionalize the DESTANA-Based Disaster Preparedness System**. GARUDA has established a strong foundation through mitigation forums, collaboration with BPBD, health services, and the process of establishing DESTANA. The next stage should move from awareness toward measurable resilience. The program should introduce indicators such as the number of households with preparedness plans, active volunteers, frequency of disaster simulations, response times, early-warning mechanisms, contingency planning, and evaluations following subsequent tidal-flood events. This would allow mitigation effectiveness to be assessed in terms of actual risk reduction, rather than participation numbers alone.
3. **Develop Direct Reputation and Social License to Operate Indicators**. Current evidence suggests strong stakeholder relations through community participation, institutional development, and multi-stakeholder collaboration. However, these indicators remain proxies for SLO. The company is therefore encouraged to develop a Stakeholder Trust Index, Community Acceptance Index, grievance rate, complaint-resolution rate, stakeholder satisfaction score, willingness-to-collaborate indicators, and periodic community-perception surveys. Such indicators would allow the relationship between PELITA Tembesi and the protection of corporate reputation and social acceptance to be demonstrated directly.
4. **Strengthen Longitudinal Measurement of Beneficiary Economic Impact**. Economic evidence relating to Godhong Ku, the cooperative, fishermen, KWT, and other beneficiary groups is already comparatively strong. The next step is to determine whether these improvements persist and grow over time. Indicators should include pre- and post-program household income, turnover, net profit, savings, customer numbers, production volume, diversification of income sources, dependence on company assistance, and the ability of community enterprises to finance their own operations. This will demonstrate whether the program has genuinely transformed the underlying structure of household economic vulnerability rather than merely generating additional income during a particular period.
5. **Expand Independent and Stakeholder-Based Impact Verification**. The PDIS already employs a comparatively strong impact-fixation mechanism by considering deadweight, attribution, displacement, and drop-off. The next level of verification could be achieved through independent validation, government datasets, verification by BPBD, DLH and health-service institutions, structured beneficiary surveys, baseline–endline documentation, and triangulation between company data and external stakeholder evidence. This would strengthen PELITA Tembesi not merely as a well-documented community program, but as a robust and defensible source of evidence of ESG performance.

With this achievement, PT PERUSAHAAN GAS NEGARA TBK. - OFFTAKE STASIUN PANARAN receives Platinum Global Recognition and is positioned in the Leader Quadrant under the La Tofi ESG Rating 2026.

PROGRAM
PELITA TEMBESI (PEMBERDAYAAN LINGKUNGAN TANGGUH DAN ASRI TEMBESI)

IMPLEMENTED BY
PT PERUSAHAAN GAS NEGARA (PERSERO) TBK - OFFTAKE STASIUN PANARAN

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	Environmental quality degradation due to unmanaged household waste and other waste streams	20	0.8	1,000,000,000	800,000,000	25%	90%	180,000,000
2	Coastal environmental pollution and pressure caused by the suboptimal utilization of gonggong shell waste	12	0.48	500,000,000	240,000,000	25%	80%	48,000,000
3	Community vulnerability to tidal flooding due to limited mitigation capacity and disaster preparedness	25	1	1,250,000,000	1,250,000,000	25%	60%	187,500,000
4	Household economic vulnerability due to dependence on a single source of income and limited women's economic participation	20	0.8	900,000,000	720,000,000	25%	85%	153,000,000
5	Reputational risk and potential disruption to the Social License to Operate (SLO)	12	0.48	1,100,000,000	528,000,000	25%	75%	99,000,000
	TOTAL			**4,750,000,000**	**3,538,000,000**			**667,500,000**

FRE BASELINE: RP 3,538,000,000
REPRESENTS THE ESTIMATED ECONOMIC RISK EXPOSURE OF THE OPERATIONAL UNIT IN THE ABSENCE OF THE PROGRAM.

FRE ADJUSTED: RP 667,500,000
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 = 92
FVS = 92
RME = 92%

Economic Protection Value (EPV)
EPV = FRE Adjusted × RME
EPV = **Rp 614,100,000**

Total Program Investment Rp 225,259,810
Corporate Economic Protection Index (CEPI) = 2.73

STRATEGIC INTERPRETATION

A CEPI score of 2.73 places the PELITA Tembesi Program in the Champion Candidatecategory, demonstrating that the program functions as a highly effective economic protection mechanism against material environmental, social, disaster, and stakeholder risks within its scope of influence. Economically, every IDR 1 invested in the program is estimated to protect approximately IDR 2.73 of economic value exposed to relevant operational risks.

PELITA Tembesi addresses risks through an integrated mitigation ecosystem. Community-based waste management reduces environmental exposure; gonggong shell utilization transforms waste into a productive resource; disaster preparedness strengthens community resilience to recurring tidal floods; while MSME development, cooperatives, and women's economic participation reduce household vulnerability. These interventions also contribute to stronger stakeholder relationships and help mitigate reputational and Social License to Operate risks.

More importantly, PELITA Tembesi demonstrates how community investment can evolve from a social expenditure into a strategic economic protection instrument. By strengthening community institutions, diversifying livelihoods, improving environmental management, and building adaptive capacity, the program simultaneously creates social value and protects the stability of the company's operating environment.

This reflects the central philosophy of the Corporate Economic Protection Index (CEPI): sustainability creates strategic value when investment in society and the environment can be linked to measurable reductions in economic risk exposure.