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 PLN (PERSERO)
UNIT INDUK WILAYAH NUSA TENGGARA TIMUR

RECOGNIZED PROGRAM

HORTI THE BEST – HORTIKULTURA BERDAYA, EDUKATIF, SEJATERA DAN TANGGUH

AWARD CATEGORY

CORPORATE RISK & ECONOMIC RESILIENCE

IMPACT NARRATIVE

Before: In Hoder, farming depended on uncertain rainfall. Limited irrigation, fragile harvests, and restricted market opportunities left families vulnerable to forces beyond their control.

Transformations: Through HORTI the BEST, PLN brings electricity-powered irrigation, horticultural skills, and productive opportunities to local farmers. Water becomes more accessible, knowledge grows, and communities begin building greater control over their livelihoods.

Significance: True impact begins when infrastructure becomes independence. By connecting energy with human potential, PLN demonstrates that resilience is not merely surviving uncertainty, but creating the power to shape a better future.

RECOGNITION LEVEL

PLATINUM GLOBAL RECOGNITION 95.75 & CEPI CHAMPION CANDIDATE 2.75
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.

GRAIA2026022

RECOGNIZED PROGRAM
HORTI THE BEST – HORTIKULTURA BERDAYA, EDUKATIF, SEJATERA DAN TANGGUH

BY
PT PLN (PERSERO) UNIT INDUK WILAYAH NUSA TENGGARA TIMUR

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)	91.00	**20%**	**18.20**
TOTAL		**100%**	**95.75**

- LRMI (100) → All five identified local risks are classified as significant, encompassing water scarcity, climate disruption, farmers' economic vulnerability, capacity limitations, and corporate reputation and Social License to Operate.
- RSAI (100) → The assessment recognizes full strategic alignment between the five material risks and the program's intervention framework, including irrigation infrastructure, climate adaptation, farmer training, economic empowerment, and stakeholder engagement.
- AMS (93) → The assigned score indicates a high level of mitigation performance across intervention scale, effectiveness, and sustainability. The program combines productive electricity utilization with agricultural infrastructure and farmer capacity development.
- FVS (91) → Field verification through desk review reflects a strong overall verification assessment, supported by documented implementation, training outcomes, technology adoption, and stakeholder involvement. Further independent verification of economic and long-term environmental outcomes remains important.

The program achieved an overall **Recognition Score of 95.75**, 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? - HORTI the BEST addresses five significant local risks arising from water scarcity, dependence on seasonal rainfall, extreme weather, agricultural income vulnerability, limitations in farmer capabilities, and the need to maintain stakeholder confidence. These risks are material to community livelihoods and the sustainability of productive electricity utilization.

Why Action High? - The program integrates electricity-powered irrigation, horticultural development, farmer training, and stakeholder collaboration into a coordinated mitigation strategy. Its approach connects the protection of agricultural livelihoods with the productive use of energy, creating a foundation for longer-term economic resilience.

GAP COEFFICIENT ANALYSIS

PT PLN (PERSERO) UNIT INDUK WILAYAH NUSA TENGGARA TIMUR achieved an overall score of 95.75 (Platinum Global Recognition).

Gap = 1 – 0,9575 = **0,0425**

The program's overall score of 95.75 indicates a narrow gap of 4.25 percentage points from the maximum possible assessment score. Within the adopted scoring framework, this result reflects strong risk identification, strategic alignment, mitigation design, and verification performance. The remaining improvement opportunities concern the depth of longitudinal evidence, the durability of agricultural and economic outcomes, and the ability to demonstrate measurable reductions in risk.

STRATEGIC IMPROVEMENT PRIORITIES

1. **Strengthen evidence of farmers' economic outcomes**. Establish baseline and endline measurements of net income, crop yields, production costs, and realized market transactions. Separate verified outcomes from projected economic benefits.
2. **Develop long-term climate and water-risk monitoring**. Track groundwater availability, irrigation performance, seasonal production stability, and avoided crop losses to demonstrate the actual economic protection generated by the intervention.
3. **Expand sustainable horticultural market partnerships**. Strengthen relationships with buyers, cooperatives, local businesses, and agricultural distribution networks to reduce market vulnerability and support stable farmer incomes.
4. **Institutionalize farmer capacity development and youth regeneration**. Establish continued mentoring, peer learning, and measurable youth participation to maintain technology adoption and agricultural knowledge beyond the initial program period.
5. **Strengthen stakeholder trust and SLO verification**. Introduce periodic community satisfaction assessments, stakeholder perception indicators, grievance monitoring, and structured evidence of sustained community participation.

With this achievement, PT PLN (PERSERO) UNIT INDUK WILAYAH NUSA TENGGARA TIMUR is recognized with Platinum Global Recognition and positioned in the Leader Quadrant under the La Tofi ESG Rating 2026.

PROGRAM
HORTI THE BEST – HORTIKULTURA BERDAYA, EDUKATIF, SEJATERA DAN TANGGUH

IMPLEMENTED BY
PT PLN (PERSERO) UNIT INDUK WILAYAH NUSA TENGGARA TIMUR

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	Limited Water Access and Dependence on Seasonal Rainfall	25	1	168,788,000	168,788,000	40%	95%	64,139,440
2	Drought, Extreme Weather, and Disruption of Horticultural Production	16	0.64	450,101,000	288,064,640	40%	80%	92,180,685
3	Farmers' Economic Vulnerability Due to Low Productivity and Limited Market Access	20	0.8	1,012,728,000	810,182,400	40%	85%	275,462,016
4	Limited Farmer Capacity, Technology Adoption, and Agricultural Regeneration	12	0.48	506,364,000	243,054,720	40%	90%	87,499,699
5	Corporate Reputation and Social License to Operate Risk	12	0.48	1,125,253,000	540,121,440	40%	75%	162,036,432
	TOTAL			**3,263,234,000**	**2,050,211,200**			**681,318,272**

FRE BASELINE: RP 2,050,211,200
REPRESENTS THE ESTIMATED ECONOMIC RISK EXPOSURE OF THE OPERATIONAL UNIT IN THE ABSENCE OF THE PROGRAM.

FRE ADJUSTED: RP 681,318,272
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 = 91
RME = 92.20%

Economic Protection Value (EPV)
EPV = FRE Adjusted × RME
EPV = Rp 628,175,447

Total Program Investment Rp 228,427,500
Corporate Economic Protection Index (CEPI) = 2.75

STRATEGIC INTERPRETATION

Under the target assessment scenario, a CEPI score of 2.75 would place HORTI the BEST in the Champion Candidate category, demonstrating the potential of an integrated sustainability initiative to function as an economic protection mechanism against environmental, social, and stakeholder-related risks. Economically, every IDR 1 invested in the program would be associated with approximately IDR 2.75 of modeled protected economic value, provided the underlying risk exposure assumptions are substantiated.

The program addresses an interconnected chain of risks. Limited access to irrigation water restricts agricultural productivity; drought and extreme weather increase uncertainty; weak market access undermines farmer income; limited technical capacity constrains long-term agricultural development; and persistent economic vulnerability can weaken stakeholder confidence and the company's social license to operate. Through HORTI the BEST, PLN integrates groundwater irrigation, electricity-powered pumping systems, horticultural cultivation, farmer training, business mentoring, and local market development. These interventions seek to transform energy access into productive economic opportunities while strengthening farmers' ability to manage climate-related uncertainty. The program also establishes a meaningful connection between PLN's core business and community resilience. Electricity is positioned not merely as an essential utility, but as an enabler of agricultural productivity, economic participation, and improved livelihoods. From a CEPI perspective, the significance of HORTI the BEST extends beyond conventional CSR delivery. Its strategic potential lies in demonstrating how productive electrification and community empowerment can contribute to the management of economic risks within the company's operational environment.