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

SAKA INDONESIA PANGKAH LIMITED

RECOGNIZED PROGRAM

BANYUURIP MANGROVE CENTER: MODEL KETAHANAN EKOLOGIS PESISIR BERBASIS MANGROVE UNTUK MITIGASI DAN ADAPTASI RISIKO IKLIM

AWARD CATEGORY

EARTH RESTORATION & ECOLOGICAL RESILIENCE

IMPACT NARRATIVE

Before: Ujungpangkah's coast faced erosion and mangrove degradation. As its natural defenses weakened, biodiversity and the livelihoods of communities dependent on the sea were increasingly at risk.

Transformations: Through the Banyuurip Mangrove Center, mangroves are growing alongside renewed community resilience. Conservation is integrated with science, blue carbon, education, ecotourism, and economic empowerment, transforming a vulnerable coastline into a more resilient living ecosystem.

Significance: BMC demonstrates that restoring nature also means protecting life. A thriving mangrove is more than a tree by the sea—it is a shield for the coast, a home for biodiversity, a source of livelihood, a carbon store, and a legacy of resilience for generations to come.

RECOGNITION LEVEL

PLATINUM GLOBAL RECOGNITION 96.10 & CEPI CHAMPION CANDIDATE 2.76
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.

GRAIA2026007

RECOGNIZED PROGRAM

BANYUURIP MANGROVE CENTER: MODEL KETAHANAN EKOLOGIS PESISIR BERBASIS MANGROVE UNTUK MITIGASI DAN ADAPTASI RISIKO IKLIM

BY

SAKA INDONESIA PANGKAH LIMITED

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)	94.00	**35%**	**32.90**
FVS (Field Verification Score)	91.00	**20%**	**18.20**
TOTAL		**100%**	**96.10**

- **LRMI (100)** → All material local risks underlying the program were successfully identified as significant risks. These include coastal erosion and ecosystem degradation, declining mangrove ecological functions and blue carbon capacity, livelihood vulnerability among coastal communities, limited environmental literacy and participation, as well as reputational and social license to operate risks.The assessment demonstrates that these risks are highly relevant to the ecological characteristics of the coastal area, the dependence of local communities on marine resources, and SIPL's operational context. This provides a strong materiality foundation for the Banyuurip Mangrove Center.
- **RSAI (100)** → All significant risks have been fully translated into the program's mitigation strategies. Interventions include mangrove rehabilitation and conservation, biomass and blue carbon monitoring, biodiversity protection, community economic empowerment, environmental education, research, ecotourism, and strengthened stakeholder collaboration and governance.The alignment between risks and strategies is further supported by implementation indicators, scientific monitoring, program investment, and a long-term sustainability roadmap extending to 2030. The program therefore demonstrates a strong and systematic connection between identified risks and the actions designed to address them.
- **AMS (94)** → The program demonstrates a very high quality of mitigation action, particularly through long-term mangrove rehabilitation, science-based ecological measurement, blue carbon enhancement, biodiversity conservation, and community empowerment. Evidence indicates improvements in vegetation structure, biomass, carbon stocks, and community economic activities. The score has not reached the maximum because several social outcomes—particularly changes in environmental literacy, the breadth of economic benefits, and direct impacts on reputation and social license to operate—have not yet been measured with the same depth and quantitative rigor as the ecological outcomes.
- **FVS (91)** → Field verification through desk review has a strong verification foundation supported by ecological monitoring data, biomass and carbon measurements, biodiversity documentation, community economic data, SROI assessment, and the participation of government, academic institutions, and local communities. The strongest evidence is found in environmental and blue carbon outcomes. Further improvement is needed in baseline–endline measurement of environmental literacy and behavioral change, longitudinal economic outcomes, direct reputation and social license to operate indicators, and stronger MRV systems for blue carbon claims.

The program achieved an overall **Recognition Score of 96.10**, 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? - The Banyuurip Mangrove Center operates within a coastal landscape exposed to material risks including mangrove degradation, coastal erosion, declining ecological functions, biodiversity pressures, and livelihood vulnerability among communities dependent on coastal and marine resources. These risks are particularly relevant to the company because SIPL's operations are situated in proximity to community fishing grounds. Environmental pressures may therefore extend beyond ecological impacts and develop into social, reputational, stakeholder relationship, and social license to operate risks.

Why Action High? - The program addresses these risks through an integrated combination of conservation, science, and community empowerment. BMC goes beyond mangrove planting by incorporating biomass and carbon monitoring, biodiversity conservation, environmental education, research, ecotourism, local enterprise development, and community institution strengthening. Its impact evidence includes improvements in vegetation and carbon stocks, community economic activities, institutional participation, and a long-term sustainability roadmap extending to 2030. This demonstrates that the program has progressed from individual conservation activities into a structured coastal resilience initiative.

GAP COEFFICIENT ANALYSIS

SAKA INDONESIA PANGKAH LIMITED achieved an overall score of 96.10 (Platinum Global Recognition).

Gap = 1 – 0,9610 = **0,0390**

This means that the Banyuurip Mangrove Center has a gap of only 3.90% from the ideal 100% performance level. This relatively small gap demonstrates a very high degree of alignment among local risks, mitigation strategies, program implementation, action sustainability, and impact evidence. The program has established a strong foundation for integrating ecological restoration, climate resilience, community empowerment, and stakeholder collaboration. The remaining improvement opportunities are no longer primarily related to the program's fundamental design, but rather to the depth and rigor of outcome measurement. Further strengthening is required in direct coastal resilience measurement, longitudinal community economic outcomes, environmental literacy and behavioral change, stakeholder trust and social license to operate indicators, and blue carbon MRV. With these improvements, BMC has the potential to evolve from a high-performing ESG initiative into a best-practice model for science-based coastal resilience and nature-based economic protection.

STRATEGIC IMPROVEMENT PRIORITIES

1. **Strengthen Direct Measurement of Coastal Resilience Outcomes**. The program should complement mangrove rehabilitation indicators with direct risk-reduction measurements, such as changes in shoreline position, erosion rates, tidal flooding frequency and extent, sedimentation, and other before-and-after indicators of coastal protection. This would provide stronger evidence of how effectively ecosystem restoration reduces physical coastal risks.
2. **Develop Longitudinal Community Economic Indicators**. Existing income data from nurseries, ecotourism, guiding services, and MSMEs should be expanded into baseline–endline and multi-year measurements covering income growth, livelihood diversification, number of beneficiaries, business continuity, and economic self-reliance. This would provide stronger evidence of the program's contribution to community economic resilience.
3. **Measure Environmental Literacy and Behavioral Change**. BMC has developed into an educational platform and living laboratory. Its impact should be strengthened through measurable indicators such as pre- and post-program assessments, changes in conservation behavior, community participation rates, and the continuity of community involvement as corporate support is gradually reduced.
4. **Develop Stakeholder Trust and Social License to Operate Indicators**. The company should periodically measure community trust, stakeholder satisfaction, grievances and resolution rates, perceptions of the company, and levels of social acceptance. These indicators would provide direct evidence of BMC's contribution to protecting corporate reputation and strengthening the company's social license to operate.
5. **Strengthen Blue Carbon MRV and Long-Term Impact Evidence**. BMC's biomass and carbon stock measurements are already among the program's strongest features. The next step is to strengthen Measurement, Reporting and Verification (MRV) systems, methodological consistency, sediment carbon monitoring, and longitudinal documentation. This will make blue carbon evidence increasingly robust, audit-ready, and suitable as a stronger foundation for future economic valuation.

With this achievement, SAKA INDONESIA PANGKAH LIMITED receives Platinum Global Recognition and is positioned in the Leader Quadrant under the La Tofi ESG Rating 2026.

PROGRAM
BANYUURIP MANGROVE CENTER: MODEL KETAHANAN EKOLOGIS PESISIR BERBASIS MANGROVE UNTUK MITIGASI DAN ADAPTASI RISIKO IKLIM

IMPLEMENTED BY
SAKA INDONESIA PANGKAH LIMITED

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	Coastal erosion and ecosystem degradation due to damage and declining mangrove cover	25	1	14,000,000,000	14,000,000,000	50%	80%	5,600,000,000
2	Decline in mangrove ecological functions and blue carbon storage capacity	16	0.64	11,500,000,000	7,360,000,000	50%	90%	3,312,000,000
3	Vulnerability of coastal community livelihoods and income due to dependence on marine resources and limited economic alternatives	20	0.8	9,000,000,000	7,200,000,000	50%	70%	2,520,000,000
4	Limited environmental literacy, awareness, and community participation in coastal ecosystem protection	12	0.48	6,000,000,000	2,880,000,000	50%	65%	936,000,000
5	Reputational, stakeholder relationship, and social license to operate risks arising from environmental impacts and operational proximity to coastal communities	20	0.8	15,000,000,000	12,000,000,000	50%	85%	5,100,000,000
	TOTAL			55,500,000,000	43,440,000,000			17,468,000,000

FRE BASELINE: RP 43,440,000,000
REPRESENTS THE ESTIMATED ECONOMIC RISK EXPOSURE OF THE OPERATIONAL UNIT IN THE ABSENCE OF THE PROGRAM.

FRE ADJUSTED: RP 17,468,000,000
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 = 94
FVS = 91
RME = 92.80%

Economic Protection Value (EPV)
EPV = FRE Adjusted × RME
EPV = **Rp 16,210,304,000**

Total Program Investment Rp 5,866,330,800
Corporate Economic Protection Index (CEPI) = 2.76

STRATEGIC INTERPRETATION

A CEPI score of 2.76 places the Banyuurip Mangrove Center in the Champion Candidate category, demonstrating that the program functions as a highly effective economic protection mechanism against material environmental, social, and operational risks. Economically, every IDR 1 invested in the program is associated with approximately IDR 2.76 of protected economic value within the program's relevant scope of influence.

The program addresses a chain of interconnected risks. Coastal erosion and mangrove degradation can weaken natural coastal protection; declining ecological functions can reduce biodiversity and blue carbon capacity; ecosystem deterioration can increase livelihood vulnerability among communities dependent on marine resources; and these pressures can ultimately affect stakeholder relationships, corporate reputation, and the company's social license to operate. BMC responds to these risks through mangrove restoration, ecological monitoring, blue carbon development, biodiversity protection, environmental education, ecotourism, community economic empowerment, and multi-stakeholder collaboration.

Strategically, the significance of BMC extends beyond the restoration of mangrove ecosystems. The program demonstrates how a nature-based solution can become an economic protection mechanism. By strengthening ecological resilience, diversifying community livelihoods, building local participation, and maintaining constructive stakeholder relationships, BMC helps reduce the pathways through which environmental and social risks may translate into economic exposure for the company.

The CEPI assessment therefore positions sustainability investment not merely as a social or environmental expenditure, but as an investment in risk resilience and value protection. The Banyuurip Mangrove Center illustrates a model in which healthier ecosystems support more resilient communities, stronger communities contribute to greater social stability and trust, and these conditions collectively help protect long-term business value.