

# TOPIK MATERIAL SEBAGAI LANDASAN FUNDAMENTAL PERUSAHAAN

## **MATERIAL TOPIC AS THE COMPANY'S FUNDAMENTAL**

**P**ada edisi sebelumnya, ESG Insight memaparkan mengenai definisi ESG, ESG financing dan beberapa contoh implementasi ESG di Pertamina. Namun, dibalik semua itu, perlunya memahami Topik Material menjadi prinsip dasar dari pelaporan finansial yang diadopsi untuk laporan keberlanjutan serta dinilai berdasarkan relevansinya untuk kesuksesan bisnis jangka panjang dan kepentingan bagi pemangku kepentingan.

### **DEFINISI TOPIK MATERIAL**

Menurut Global Reporting Initiative (GRI), Topik Material adalah topik yang mencerminkan dampak paling signifikan organisasi terhadap ekonomi, lingkungan, dan manusia, termasuk dampak terhadap hak asasi manusia.

### **MENGAPA TOPIK MATERIAL INI PENTING?**

Karena selain sebagai dasar untuk kegiatan dan strategi ESG, topik-topik tersebut diperoleh berdasarkan masukan dari internal dan eksternal tentang pentingnya masalah ESG. Selain itu, topik material dapat menentukan prioritas dan memaksimalkan nilai dari keberlanjutan yang akan dituangkan dalam pelaporan keberlanjutan dan strategi komunikasi. Selain itu, topik tersebut sebagai batasan untuk perencanaan strategis di manajemen operasional dan pengambilan keputusan investasi modal.

### **BEBERAPA PENDEKATAN UNTUK MENENTUKAN 10 TOPIK MATERIAL TERPENTING DI PERTAMINA**

Berdasarkan Best Practice, penentuan Topik Material

**I**n the last editions, ESG Insight has discussed about ESG definition, ESG financing, and some of ESG Implementation in Pertamina. However, we need to understand Material Topics which become the fundamental principle of financial reporting which has been adopted for global sustainability reporting and is assessed on a relevance for long-term business success and importance to stakeholders.

### **MATERIAL TOPIC DEFINITION**

Referring to Global Reporting Initiative (GRI), material topics are topics that reflect the organization's most significant impacts on the economy, environment, and people, including impacts on human rights.

### **WHY IS THE TOPIC OF MATERIALITY TOPICS IMPORTANT?**

Besides being a foundation for ESG activities and strategy, those topics provided from internal and external insight on importance of ESG issues. Material Topics also enable prioritization and maximize value from sustainability activities which will be reported in ESG reporting and communication strategy. In addition, those topics serves as the guard rail for strategic planning, operational management and capital investment decision making.



sebaiknya tidak lebih dari 10-12 topik, mengingat pentingnya fokus kepada hal-hal yang benar-benar relevan untuk perusahaan.

- Membandingkan bagaimana internal dan pihak eksternal khususnya di industri yang sama melakukan standar penentuan Topik Material dengan mempertimbangkan IOC dan NOC lainnya serta unsur ESG yang utama.
- Diskusi mendalam dengan para pemangku kepentingan utama tentang topik spesifik Pertamina yang harus dimasukkan dalam Topik Material utama.
- Memprioritaskan topik dari luar maupun dari dalam perusahaan untuk menentukan 10 topik material teratas.
- Topik Material dapat menggunakan beberapa referensi framework antara lain GRI, SASB, dan IPIECA.

## BERIKUT INI ADALAH 10 TOPIK MATERIAL PT PERTAMINA (PERSERO) TAHUN 2021

### 1. Mengatasi Perubahan Iklim

Menangani emisi gas rumah kaca yang dihasilkan perusahaan melalui operasinya, termasuk juga emisi non-GRK. Topik tersebut penting untuk mendukung agenda nasional dalam upaya dekarbonisasi dan masalah utama untuk industri tinggi emisi seperti IOC dan NOC.

### 2. Mengurangi Jejak Lingkungan

Dampak lingkungan yang terkait dengan konsumsi energi seperti intensitas energi atau energi campuran. Topik tersebut penting untuk mendukung rencana energi hijau nasional dan menyediakan ketahanan energi jangka panjang bagi bangsa.

### 3. Melindungi Keanekaragaman Hayati

Dampak perusahaan terhadap ekosistem dan keanekaragaman hayati melalui aktivitasnya. Topik tersebut penting karena operasi Pertamina terkait erat dengan pelestarian alam dan keanekaragaman hayati.

### 4. Kesehatan dan Keselamatan

Menjaga ruang kerja yang aman dan sehat bebas dari cedera, kematian dan penyakit. Topik tersebut penting untuk memastikan kesehatan dan keselamatan karyawan selama operasi untuk memastikan operasi aman, terstandar yang berkelanjutan.

## APPROACH TO DEFINE TOP 10 MATERIAL TOPICS IN PERTAMINA

According to Best Practice, Material Topic Determination should be no more than 10-12 topics, given the importance of focusing on things that are really relevant to the company.

- External and internal benchmarking to obtain industry standard for materiality topics through considerations of other IOC and NOCs as well as key ESG metrics.
- In-depth discussion with key stakeholders on specific topics that should be included by Pertamina within key Material topics.
- Prioritizing topics from external and internal parties to obtain top 10 Material topics for Pertamina.
- Material Topic could use several frameworks as reference such as GRI, SASB, and IPIECA disclosures.

## THESE ARE THE TOP TEN MATERIAL TOPICS OF PT PERTAMINA (PERSERO) YEAR 2021

### 1. Addressing Climate Change

Addresses greenhouse gas emissions that a company generates through its operations, including non-GHG emissions as well.

This topic is important to support national agenda in decarbonization effort and Key issues for emission heavy industry such as IOC and NOCs.

### 2. Reducing Environmental Footprint

Environmental impacts associated with energy consumption such as energy intensity or energy mix. This topic is important to support national energy green plan and provide long-term national energy security.

### 3. Protecting Biodiversity

Company's impacts on ecosystems and biodiversity through its activities. This topic is important because, Pertamina's operation is closely linked to preservation of nature and biodiversity.

### 4. Health and Safety

Maintaining safe and healthy workspace that is free of injuries, fatalities and illness. This topic is important to ensure employee

5. **Pencegahan Insiden Skala Besar**  
Penggunaan sistem manajemen dan perencanaan skenario untuk mengidentifikasi, memahami dan mencegah atau meminimalkan terjadinya kecelakaan berdampak tinggi. Topik tersebut penting karena prioritas tinggi untuk meminimalkan dampak negatif terhadap masyarakat dan lingkungan.
6. **Perekrutan, Pengembangan & Retensi Karyawan**  
Pekerja merupakan aset terbesar perusahaan, sehingga proses rekrutmen dan pengembangan karyawan menjadi poin yang penting, termasuk manajemen bakat dan branding perusahaan.
7. **Inovasi dan penelitian**  
Keterlibatan dan mengejar inovasi dan penelitian untuk memajukan bisnis sambil memasukkan pertimbangan LST (Lingkungan Sosial dan Tata kelola). Topik tersebut penting untuk mendukung ambisi perusahaan menjadi yang terdepan dalam bidang R&D (Research & Development).
8. **Keterlibatan dan Dampak Komunitas**  
Keterlibatan perusahaan dengan masyarakat setempat, termasuk melindungi hak dan perlakuan terhadap masyarakat adat. Topik tersebut penting untuk menciptakan dampak positif dalam komunitas setempat dan memperkuat keberlanjutan melalui kemitraan berkelanjutan dengan masyarakat lokal.
9. **Keamanan Digital**  
Risiko yang terkait dengan pengumpulan, penyimpanan, dan penggunaan informasi sensitif dan rahasia terkait dengan data pelanggan dan perusahaan. Topik tersebut penting karena seiring Pertamina bergerak ke arah yang lebih digital, keamanan informasi dan data pelanggan dan perusahaan menjadi sangat penting.
10. **Etika Perusahaan**  
Pendekatan perusahaan dalam mengelola risiko dan peluang terkait etika bisnis, termasuk sistem tata kelola perusahaan. Topik tersebut penting karena Pertamina sebagai BUMN perlu menjadi yang terdepan dalam etika dan tata kelola perusahaan yang baik. ▀

health and safety during operations to ensure safe, standardized, and sustainable operations.

5. **Prevention of Major Accidents**  
Use of management systems and scenario planning to identify, understand and prevent or minimize occurrence of high impact accidents. This topic is important because, high priority to minimize negative impact to community and environment.
6. **Employee Recruiting, Development & Retention**  
Employees are the biggest company's asset, so recruitment process and development of employees is an important point, including talent management and company branding.
7. **Innovation and Research**  
Involvement and pursuit of innovation and research to advance business while incorporating ESG considerations. This topic is important to support ambition to be leading R&D company.
8. **Community Engagement and Impact**  
Company's engagement with communities where they operate, including protecting the rights and treatment of indigenous people. This topic is important to create positive impact within communities where Pertamina operates and Strengthen sustainability through continuous partnership with local communities.
9. **Cyber Security**  
Risk related to collection, retention and use of sensitive and confidential information relate to customer and company data. This topic is important because, Pertamina moves to be more digitalized, the need to secure customer's and company's information and data is high.
10. **Corporate Ethics**  
Company's approach in managing risk and opportunities related to ethical business conduct, including corporate governance system. This topic is important because Pertamina as SOE needs to be a leader in good corporate ethics and governance. ▀



# MATERIAL TOPIC AS THE COMPANY'S FUNDAMENTAL

We need to understand Material Topics which become the fundamental principle of financial reporting which has been adopted for global sustainability reporting and is assessed on a relevance for long-term business success and importance to stakeholders.



**Material Topic Definition**  
Referring to Global Reporting Initiative (GRI), material topics are topics that reflect the organization's most significant impacts on the economy, environment, and people, including impacts on human rights.



## These are The Top Ten Materiality Topics of PT Pertamina (Persero) in 2021



| ESG | Topics                                       | Definition  | Why is it important to Pertamina?  | Top 10 SDG's Priority Pertamina |
|-----|--|---|--|---------------------------------|
| E   | Addressing Climate Change                    | Addresses greenhouse gas emissions that a company generates through its operations, including non-GHG emissions as well.  | <ul style="list-style-type: none"> <li>Support national agenda in decarbonization effort.</li> <li>Key issues for emission heavy industry such as IOC and NOCs.</li> </ul>   |                                 |
|     | Reducing Environmental Footprint             | Environmental impacts associated with energy consumption such as energy intensity or energy Mix.  | <ul style="list-style-type: none"> <li>Support national energy green plan.</li> <li>Provide long-term energy security for the nation.</li> </ul>   |                                 |
|     | Protecting Biodiversity                      | Company's impacts on ecosystems and biodiversity through its activities.  | Pertamina's operation is closely linked to preservation of nature and biodiversity.  |                                 |
| S   | Health and Safety                            | Maintaining safe and healthy workspace that is free of injuries, fatalities and illness.  | Priority to ensure employee health and safety during operations to ensure sustainable operations and standards.  |                                 |
|     | Prevention of Major Accidents                | Use of management systems and scenario planning to identify, understand and prevent or minimize occurrence of high impact accidents.                                    | High priority to minimize negative impact to community and environment.  |                                 |
|     | Employee Recruiting, Development & Retention | Employees are the biggest company's asset, so recruitment process and development of employees is an important point, including talent management and company branding. | To continue attracting best talent in Indonesia and support job creation and upskill national talent pool.   |                                 |
|     | Innovation and Research                      | Involvement and pursuit of innovation and research to advance business while incorporating ESG considerations.  | Support ambition to be leading R&D company.  |                                 |
|     | Community Engagement and Impact              | Company's engagement with communities where they operate, including the rights and treatment of indigenous people.  | <ul style="list-style-type: none"> <li>Create positive impact within communities where Pertamina operates in.</li> <li>Strengthen sustainability through continuous partnership with local communities.</li> </ul> |                                 |
| G   | Cyber Security                               | Risk related to collection, retention and use of sensitive and confidential information relate to customer and company data.  | As Pertamina moves to be more digitalized, the need to secure customer's and company's information and data.   |                                 |
|     | Corporate Ethics                             | Company's approach in managing risk and opportunities related to ethical business conduct, including corporate governance system.                                       | As SOE, Pertamina needs to be a leader in good corporate ethics and governance.  |                                 |

