



IMPLEMENTASI & KOMITMEN PENUH PERTAMINA DORONG PENINGKATAN RATING ESG

PERTAMINA'S IMPLEMENTATION & FULL COMMITMENT ENCOURAGES IMPROVEMENT OF ESG RATING

E ESG Rating merupakan salah satu bagian penting dalam menilai implementasi ESG practice di Pertamina yang berpengaruh pada reputasi, berpotensi berdampak pada akses pendanaan eksternal serta merupakan salah satu KPI (Key Performance Indicator) perusahaan di tahun 2021.

Terdapat lebih dari 100 lembaga rating ESG, namun lima besar Lembaga rating ESG yang digunakan oleh banyak perusahaan adalah Sustainalytics, MSCI, ISS-Oekom, Moody's dan S&P.

Capaian ESG Rating Pertamina

Saat ini Pertamina telah di assess oleh lembaga rating Sustainalytics secara *solicited* dengan menggunakan metode *Comprehensive Rating*, yang dimulai pada 29 Juli 2021 dan berakhir pada 24 September 2021.

E ESG Rating is an essential part of assessing the implementation of ESG practice at Pertamina, which affects reputation and has the potential to impact access to external funding. It is also one of the company's KPIs (Key Performance Indicators) in 2021.

There are 100+ ESG Rating Companies. However, the top five ESG rating agencies used by many companies are Sustainalytics, MSCI, ISS-Oekom, Moody's and S&P.

Pertamina's ESG Rating Achievements

Pertamina has been assessed by the Sustainalytics rating agency on a *solicited basis* using the *Comprehensive Rating method*, which starts on July 29, 2021, and ends on September 24, 2021.



Dalam proses rating, Sustainalytics mengevaluasi 11 Material ESG Issues yang terdiri dari:

1. Emisi, Efluen, dan Limbah
2. Karbon – Produk dan Jasa
3. Karbon – Operasi sendiri
4. Penggunaan Sumber Daya
5. Tata Guna Lahan dan Keanekaragaman Hayati
6. Kesehatan dan Keselamatan Kerja
7. Hubungan Masyarakat
8. Sumber Daya Manusia
9. Suap dan Korupsi
10. Tata Kelola Perusahaan
11. Etika Bisnis

11 Material ESG di atas dijabarkan lebih detil lagi oleh Sustainalytics menjadi 54 Indikator (23 indikator di bidang *Environmental*, 12 *Social*, dan 19 *Governance*). 54 Indikator tersebut selanjutnya dibagi ke dalam 225 Sub-Indikator.

Dari *assessment* tersebut, Pertamina memperoleh Skor ESG Risk Rating 28.1 (semakin kecil semakin baik) dan dinilai berada pada level risiko *Medium Risk*.

Risk Rating ini mengalami perbaikan signifikan dibanding rating sebelumnya yaitu 41.6 pada level risiko *Severe Risk* yang sebelumnya dikeluarkan oleh Sustainalytics (*unsolicited core rating*).

In the rating process, Sustainalytics evaluates 11 Material ESG Issues consisting of:

1. *Emission, Effluents, and Waste*
2. *Carbon – Product and Services*
3. *Carbon – Own Operations*
4. *Resources Use*
5. *Land Use and Biodiversity*
6. *Occupational Health & Safety*
7. *Community Relations*
8. *Human Capital*
9. *Bribery and Corruption*
10. *Corporate Governance*
11. *Business Ethics*

*The 11 ESG materials above are described in more detail by Sustainalytics into 54 Indicators (23 indicators in the field of *Environment*, 12 *Social*, and 19 *Governance*). The 54 Indicators are further divided into 225 Sub-Indicators.*

*From the assessment, Pertamina obtained an ESG Risk Rating Score of 28.1 (the smaller, the better) and is considered to be at the *Medium Risk* level.*

*This risk rating has improved significantly compared to the previous rating of 41.6 at the *Severe Risk* level previously issued by Sustainalytics (*unsolicited core rating*).*

Dengan skor di atas, Pertamina menempati posisi 15 dari 252 perusahaan di industri Oil & Gas dan berada di *cluster* yang sama (*Medium Risk*) dengan perusahaan global seperti Repsol (5), ENI (8), PTT Thailand (11) dan Total Energies (13). Sedangkan di Sub industri *Integrated Oil & Gas*, Pertamina menempati ranking ke-8.

Praktik ESG yang Baik dan Dukungan Perwira Pertamina

Capaian tersebut merupakan prestasi seluruh Fungsi dan Insan Pertamina atas usaha dan komitmen penuhnya untuk menjalankan praktik ESG dengan baik, serta memberikan dukungan dalam proses *assessment*.

Kedepannya perusahaan berharap skor *ESG Risk Rating* akan semakin baik dan seluruh Pertamina Group dapat meningkatkan praktik-praktik ESG demi memastikan keberlanjutan perusahaan di masa mendatang, salah satunya dengan mengacu pada kriteria yang ditetapkan oleh lembaga rating seperti *Sustainalytics*.

With the above score, Pertamina occupies the 15th position out of 252 companies in the Oil & Gas industry and is in the same cluster (Medium Risk) with global companies such as Repsol (5), ENI (8), PTT Thailand (11) and Total Energies (13). Meanwhile, in the Integrated Oil and Gas sub-industry, Pertamina ranks 8th.

Pertamina's ESG Rating Achievements

This achievement is the accomplishment of all Pertamina Functions and Perwira for their efforts and total commitment to carry out ESG practices well and provide support in the assessment process.

Moving forward, the company hopes that the ESG Risk Rating score will attain better. The entire Pertamina Group can improve ESG practices to ensure the company's sustainability in the future, one of which is by referring to the criteria set rating agencies such as Sustainalytics.



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Why ESG Rating is Important ?

<p>Reputation Companies with better ESG rating is perceived better than their peers in the industry</p>	<p>Indirect Impact to Credit Rating ESG rating increase could increase attractiveness from investor and might have correlation with Credit Rating</p>	<p>ESG Performance Proxy Companies that score well on ESG metrics are believed to better anticipate future risks and opportunities</p>	<p>Pertamina's KPI in 2021 (& going forward) Companies with better ESG rating is perceived better than their peers in the industry</p>
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Pertamina has been assessed by the **Sustainalytics** rating agency on a solicited basis using the Comprehensive Rating method that evaluates **11 Material ESG Issues** consisting of:

- Emission, Effluents, and Waste
- Occupational Health & Safety
- Carbon - Products and Services
- Community Relations
- Carbon - Own Operations
- Human Capital
- Resources Use
- Bribery and Corruption
- Land Use and Biodiveristy
- Corporate Governance
- Business Ethics

NOTE : E S G

For more information go to www.sustainalytics.com

PERTAMINA ESG RATING SCORE (Lower Score is Better)

