

MEASURING CORPORATE PROGRESS TOWARDS INDONESIA'S SUSTAINABILITY POLICIES

Mapping CDP's 2021 corporate disclosure platform
against key environmental targets



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ABOUT THIS BRIEF

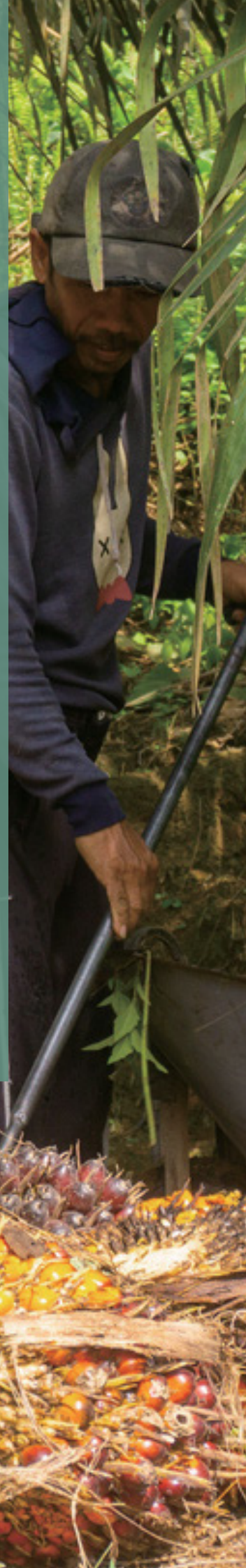
Data transparency and accountability through standardized measurement are important tools for ensuring continuous progress towards sustainability. These tools play a pivotal role in monitoring progress and assessing the contributions of diverse stakeholders towards achieving the Sustainable Development Goals (SDGs).

This brief analyzes and maps the linkages between the 2021 CDP questionnaires and three key environmental and climate-related policies governing Indonesian financial institutions (FIs), issuers and companies:

- ▼ the National Action Plan (NAP) for SDGs¹;
- ▼ Financial Services Authority (OJK), regulation number 51/POJK.03/2017;
- ▼ the Program for Environmental Performance Rating (PROPER), initiated by the Ministry of Environment and Forestry.

This brief highlights the implications of these policies captured in CDP's questionnaires and assesses the contribution of the commercial world toward sustainable development in Indonesia.

The scope of analysis covers the environmental and governance aspects of the policies, as well as provides case studies on best practice for corporate action based on CDP's disclosure data. The methodology maps the codified policy indicators and sections with each 2021 CDP thematic questionnaire, subsequently determining the relevance level based on scales, from no alignment to full alignment². A descriptive analysis then determines the magnitude of CDP conformity and dataset contribution to the above-mentioned policies. Finally, case studies illustrate the insights generated from the CDP data.



KEY FINDINGS



Data from CDP's disclosure platform can be used to monitor progress towards Indonesia's primary sustainability policies through the alignment of 66 CDP questions across three policy instruments.



CDP questionnaires are aligned with 36 of the 77 (47%) indicators in Indonesia's National Action Plan (NAP) supporting the Sustainable Development Goals (SDGs). The study found alignment in such topics as energy efficiency, emissions reduction initiative, biodiversity-related activities and water security.



CDP's datasets contain information relevant to the 13 environmental performance indicators specified in POJK Number 51/POJK.03/2017, including climate, biodiversity, conservation and waste management targets.



Of the 212 environmental management indicators in the PROPER evaluative framework, 61 (28%) are aligned with CDP questions. The highest levels of alignment between PROPER indicators and CDP questions are in the emission reduction section (39%), followed by life cycle assessment section (33%).

INTRODUCTION

As part of the global effort to address climate change under the Paris Agreement, Indonesia is committed to reducing greenhouse gas emissions by 29% unilaterally, or by 41% with international support, by 2030³.

In recognition of the link between safeguarding the environment and sustainable development, the government of Indonesia has complemented its climate goals with a commitment to achieve 17 SDGs in order to create a more just, prosperous, and sustainable society⁴.

Fulfilling both the goals of the Paris Agreement and the SDGs requires contributions from a number of stakeholders, from government authorities at all levels to businesses, capital markets participants, and other non-state actors. As such, the Indonesian government has instituted several regulatory measures in order to drive and coordinate contributions from the full range of stakeholders, particularly actors in the private sector. These measures include the National Action Plan (NAP) for SDGs, regulations POJK 51/POJK.03/2017 on sustainable finance, and the Program for Environmental Performance Rating (PROPER).

The Government of Indonesia cannot achieve its ambitious targets alone; business, capital markets and other non-state actors' engagement is crucial. By setting science-based targets, procuring or generating low-carbon energy, addressing water efficiency and pollution, advancing gender equality and diversity, respecting labor rights and local communities, partnering with local businesses for inclusive economic growth, and publishing sustainability reports (SDG12.6), Indonesian

companies are directly contributing to the achievement of SDG targets.

Since 2003, companies and city, state, and regional governments have used CDP questionnaires to better understand and measure environmental risks to their business or locality. Companies and governments also use CDP questionnaires to report mitigation initiatives and to track progress against their environmental goals, including the SDGs. The disclosure system allows reporting entities to disclose data across three themes: climate change, forests, and water security. Given the interconnection between climate change, deforestation, and water resources, companies and subnational governments are encouraged to report data on all three themes.

In the climate change questionnaire, reporting entities submit data related to climate-change risk management, including energy consumption and both direct emissions as well as emissions embedded in their value chains. The forests questionnaire allows disclosers to identify and evaluate the impact of risks related to the production and sourcing of high-risk forest commodities. Reporting entities use CDP's water-security questionnaire to report actions related to securing water supplies and to minimizing risks associated with the degradation of water quality.

ENVIRONMENTAL POLICY IN INDONESIA

A. National Action Plan (NAP) for SDGs

To meet the 2030 Agenda for Sustainable Development and its SDGs, Presidential Decree (Perpres) No. 59/2017 on Implementing the Achievement of Sustainable Development Goals (SDGs) was issued in 2017. The decree emphasized the importance of collaboration among all stakeholders to achieve the goals⁵. To give additional direction on the efforts to meet the SDGs, in 2018, the Ministry of National Development Planning (BAPPENAS) issued the Ministry of Development Planning National / Head of BAPPENAS Regulation No. 7/2018, which established Indonesia's National Action Plan (NAP) for SDGs.

The NAP contains guidance on coordinating and planning the collective effort of multiple stakeholders to achieve the SDGs in Indonesia. The NAP for SDGs also provides guidelines for reporting, monitoring, and evaluating multi-stakeholder efforts⁶. Similarly, the classification of the sustainable business activities based on the Financial Services Authority Circular Letter (SEOJK)^{7,8} has been adopted to measure and drive the contributions of non-state actors.

B. POJK No. 51/2017, on the Implementation of Financial Sustainability for Financial Service Providers, Issuers and Public Companies

In 2017, the Financial Services Authority (OJK) issued POJK 51/POJK.03/2017 with the objective to promote sustainable economic growth, including progress toward the SDGs. The regulation mandates financial institutions, issuers and listed companies to implement sustainable finance practices. These entities are required to develop sustainable finance action plans and submit annual sustainability reports to OJK. To help financial institutions increase the share of sustainable enterprises in their financing and/or lending portfolios, the regulation defines and classifies sustainable business activities. This classification was later incorporated by Bappenas into the NAP.

The 11 categories of sustainable business activities include⁹:



Renewable energy



Energy efficiency



Pollution prevention and control



Natural-resource management and sustainable land use



Land and water biodiversity conservation



Sustainable transport



Sustainable wastewater management



Adaptation to climate change



Use of environmentally friendly and recyclable materials



Energy-efficient buildings align with national, regional and international standards or certifications



Other sustainable business activities

C. PROPER (Program for Environmental Performance Rating)



Since 1997, the scope of PROPER has expanded to include SDG indicators and the results of life cycle analysis¹⁰. As a part of Indonesia's commitment to sustainable development, since 2018 PROPER has integrated the criteria of the SDGs into its reporting. By 2019, 2,045 companies had used the PROPER assessment and reported results through the electronic reporting information system (SIMPEL).


In 2021, the Ministry of Environment and Forestry further updated PROPER with Regulation No. 1/ 2021. The latest version of PROPER encourages businesses and industries to conduct life-cycle analysis for all goods and services. The analysis should provide a

comprehensive environmental profile with respect to water and energy usage as well as emissions and waste generation.

PROPER assessment includes two phases: compliance and beyond compliance. The criteria in the compliance phase measure the alignment between company activity and relevant environmental requirements. In the beyond compliance phase, the criteria are more comprehensive and integrate key sustainability indicators, including technology development and adherence to best practices in environmental management and other environmental issues¹¹. Details on the PROPER classifications can be found in Table 1¹².

Table 1: PROPER's rating criteria.

KPI type	Assessment category	Explanation
 Compliance	Black	Any intentionally committed action that: <ul style="list-style-type: none"> causes pollution or environmental harm; violates any applicable laws and regulations; or fails to comply with administrative penalties.
	Red	Partial or incomplete fulfilment of relevant environmental protection requirements.
	Blue	Full compliance with relevant environmental protection regulations.
 Beyond Compliance	Green	Evidence of high standards in environmental stewardship, including: <ul style="list-style-type: none"> use of environmental management frameworks; high levels of resource efficiency; and implementation of community development programs.
	Gold	Continued demonstration of environmental excellence in manufacturing or service systems, as well as ethical and socially responsible business practices.



MAPPING RESULTS

PROMOTING THE ACHIEVEMENT OF THE SDGs THROUGH DISCLOSURE

The 2030 Agenda for Sustainable Development and its 17 SDGs placed environmental degradation, sustainability, climate change, forest loss and water security under the international spotlight. Since then, CDP has been actively involved in promoting sustainable development, recognizing its intrinsic link to the health of the environment.

In 2021, CDP conducted an analysis to understand the link between its questionnaires and the SDGs. The analysis found that CDP’s disclosure platform captures insights relevant to all (six)¹³ environmental SDGs¹⁴ (Figure 1).

CDP conducted an additional mapping exercise of CDP questionnaires against the NAP for SDGs. The review showed that the CDP dataset can provide insights for 47% (36 out of 77) of the indicators specified in NAP for SDGs. The relevance of each CDP questionnaire is shown in Annex 1. These CDP questionnaires can provide insights based on the description of sustainable business activity, through direct or joint questions¹⁵.



Figure 1: The SDGs environmental indicators



Climate Change

The CDP climate-change questionnaire consists of 311 questions that focus on the actions taken by companies to manage climate-related risk, including energy usage and emissions. The analysis found that 66 questions can

generate insight for approximately 33% (25 out of 77) of indicators specified in the NAP for SDGs, particularly in indicators on energy consumption or efficiency, renewable energy, land-use change and waste management.



Forests

Overall, 19% (15 out of 77) of the indicators in the NAP for SDGs can be linked to CDP forest questions. The greatest alignment is for NAP for SDG 15 (Life on land), which emphasizes indicators for 'management of biodiversity resources and sustainable land use'. Data points captured in the forest questionnaire can provide insights on several of these indicators, such as the total area of

terrestrial biodiversity conservation, as well as more granular data on activities for biodiversity and conservation management (15.1.2.[a]). The CDP Forests questionnaire also provides insight into a company's performance in respect to NAP for SDG 12 and 13, the responding entity's environmental management certification (PROPER and SNI ISO 14001) and strategy in addressing disaster risk.



Water Security

CDP water-security questionnaire capture data relevant to 11 out of 77 of the NAP for SDGs indicators. NAP for SDG 6 has the greatest alignment with this questionnaire, covering water usage efficiency (6.6.1*), Water Sanitation and Hygiene (WASH) facilities (6.2.1*), waste management (6.3.1.[a]), water stress (6.4.2) and

raw water capacity (6.1.1*). Given the close relationship between water consumption and water efficiency, a number of CDP questions address both issues. Additionally, responses to the water-security questionnaire can generate valuable insight regarding indicators relevant to treating hazardous and toxic waste (B3)¹⁶.

CASE STUDY

ASIA PULP AND PAPER



The NAP for SDGs requires companies to plan and measure the progress of its sustainable activities. Asia Pulp & Paper (APP), one of the biggest pulp and paper companies in the world, has disclosed data to CDP since 2012, when APP developed the Sustainability Roadmap Vision 2020¹⁷. The Roadmap has since been updated to extend to 2030¹⁸. APP's sustainability roadmap was developed in line with the NAP for SDGs and has been integrated into APP's value chain.

By 2020, APP had reduced their carbon emissions by 23%¹⁹, and energy intensity by 11% compared to a 2012²⁰ baseline. APP also increased renewable energy consumption by 6%²¹ and set aside 600,000 ha (approximately 21% of its concessions area) as a protected forest within the concession. In 2019, APP set out to restore an additional 30,000 ha of forestry and achieved 21,000 ha of this commitment in the same year²². Furthermore, APP contributed to the NAP for SDG 6.6.1 by reducing its water intensity by 31%²³, compared to 2013, which constituted the lowest freshwater consumption during its operation²⁴.



DRIVING ENVIRONMENTAL STEWARDSHIP THROUGH SUSTAINABLE FINANCE

Financial institutions (FIs) have the potential to drive sustainable practices in their portfolios by integrating environmental safeguards through lending, investment and underwriting policies. The enactment of the regulation POJK 51/POJK.03/2017 formalized this practice and mandated that FIs and corporate actors take a more active role in achieving the national sustainable development agenda.

The CDP dataset provides substantial insights on the environmental aspects of POJK 51/POJK.03/2017. Several sections of the CDP questionnaire are aligned with the regulation, such as modules on environmental governance and performance. Because CDP questionnaires do not cover social indicators relating to labor, wage and community empowerment, information relating to these sections of the regulation are not captured in CDP datasets.



POJK 51/POJK.03/2017 recognizes the importance of integrating climate action to achieve the national sustainable development agenda. This is reflected in the integration of several climate-related indicators. The results from the analysis show that the CDP climate-change dataset can be linked to 77% (10 of 13) of the environmental/ecological performance reporting requirements specified by POJK 51/POJK.03/2017.

About 47 of the CDP climate-change questions capture data about emission reduction and waste, followed by 32 questions about energy consumption and intensity indicators (Table 4). Beyond energy, waste, and emission data, CDP provides thorough insights on the standards, protocols and methodology that disclosers use to record and calculate emissions.



Beyond its focus on climate issues, POJK 51/POJK.03/2017 also acknowledges the impact of businesses' activities on ecosystems, including forests and biodiversity. The regulation mandates that companies disclose the detrimental effects that business activities have on forests. Companies are also required to disclose their responses to forest-related risks and the environmental costs incurred.

The analysis found that 38% (5 of 13) of the environmental data required in POJK 51/POJK.03/2017 are covered by the CDP forest dataset. CDP uses forward-looking indicators in its forests questionnaire which help stakeholders understand and estimate the potential economic loss of deforestation and measure the progress of action to protect forests.



The CDP water-security questionnaire provides a framework for companies to assess water-related risk and associated financial impact. The questionnaire also asks companies to demonstrate their processes for identifying, assessing and responding to water-related risks in their direct operations and value chains. The

questionnaire is aligned with three broad indicators:

- Environmental/Ecological aspect performance (21 data points)
- Energy Efficiency (11 data points)
- Total Sustainable Governance (18 data points).

CASE STUDY

PT AUSTINDO NUSANTARA JAYA TBK.



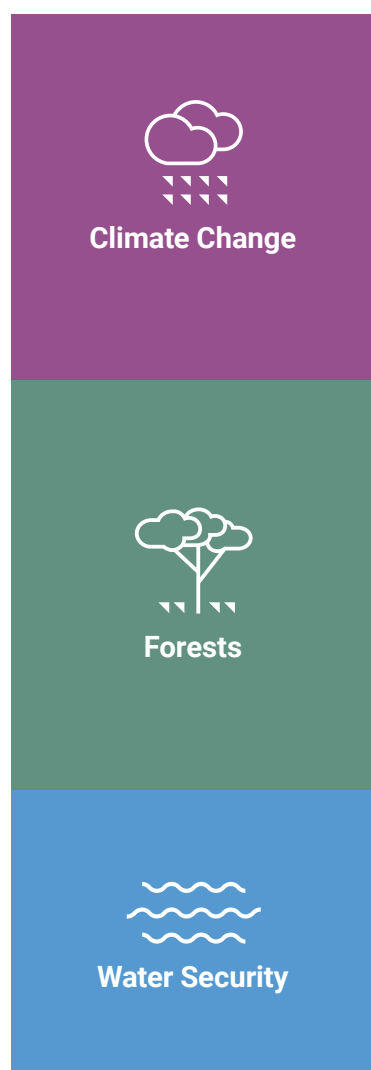
PT Austindo Nusantara Jaya Tbk. (ANJ) is an agricultural commodity holdings company. Its main business activities are processing and trading palm oil. ANJ has recognized the importance of addressing sustainability issues as well as integrating sustainability in its corporate governance. Issues regarding climate and forest conservation are a regular item at board meetings. The company's Chief Sustainability Officer is in charge of developing and implementing the company's sustainability policies, which include conserving the ecosystem in the company's concession, zero land burning, and no deforestation, peat or exploitation (NDPE). According to ANJ's CDP response, in 2019, the company allocated around \$696,034 USD to manage its forest risk²⁵. As part of its commitment to zero land burning, ANJ increased its budget for risk management by 43.6%, to \$1,000,000 USD in 2020²⁶.

Recognizing the importance of the socio-economic aspect of sustainable development, in 2019, ANJ rolled out a responsible development (RD) program, which encourages the company's employees to contribute to the company's sustainability goals. Through the RD program, ANJ has since implemented the 'Care for Biodiversity' (Peduli Keanekaragaman Hayati-PENDAKI) initiative, which promotes the importance of preservation of biodiversity in order to improve community wellbeing. This program is mandatory for ANJ employees, and it accounted for 15% of key performance indicators. ANJ's management has put in place policies to adjust remuneration, bonuses and eligibility criteria for promotion in order to develop a culture of sustainability in the company, as required by POJK 51/POJK.03/2017.



ACHIEVING SUSTAINABLE DEVELOPMENT THROUGH AN ENVIRONMENTAL PERFORMANCE RATING PROGRAM

The implementation of PROPER highlighted the proximity between environmental protection and the sustainable development agenda. Since 2018, PROPER has actively reported its contribution to the 17 pillars of SDGs through their assessment on beyond-legality compliance²⁷, which has the strongest alignment with the CDP dataset. PROPER section on life-cycle analysis (LCA) and environment management systems have an especially close link to CDP questionnaires (see Annex 3).



The CDP climate-change questionnaire provides a framework for companies to identify and measure their exposure to climate-related risks and to quantify possible financial impacts of these risks. The questionnaire encourages a stepwise approach to increasing climate resilience by implementing energy efficiency, reducing both absolute emissions

and emission intensity, adopting renewable energy, and improving climate performance through ambitious target setting. The CDP climate-change dataset provides insight for 38% (12 out of 31) of the emission-reduction indicators in PROPER, comprising emission policies, management, planning, reporting, and implementation.

Forests are important elements for meeting Indonesia's Nationally Determined Contribution. In its commitment, the government of Indonesia aims to unilaterally reduce 29% of its emissions by 2030, with the largest portion (63%) of reduction coming from land-use change, peat, and the forestry sector²⁸. Restoring

forests and protecting biodiversity are emphasized among PROPER's environmental indicators, and these are the criteria most closely aligned with the CDP forests questionnaire. In total, 36% (10 out of 28) of the PROPER biodiversity conservation criteria can be covered by the CDP forests questionnaire.

Originally, PROPER was created to address water pollution on riverbanks caused by businesses and focused on water management and pollution control. Companies were required to report their water-related targets and goals, as well as their methods of monitoring water-related

targets. CDP's water questionnaire asks companies to report this data. As a result, the CDP water dataset provides detailed insights on water efficiency and waste-water load-reduction actions taken by companies, which cover 22% of the PROPER indicators (6 out of 27).

CASE STUDY

MUSIM MAS



Musim Mas is an integrated palm oil corporation in Indonesia, producing a wide variety of products through its subsidiaries, including cooking oil, margarine, shortening, frying fat, palm wax, glycerin and soap²⁹. Committed to being a sustainable palm oil business, Musim Mas has demonstrated excellence in environmental management and has received a PROPER Green Ranking for three consecutive years³⁰.

Musim Mas has disclosed its environmental actions to CDP since 2017. In response to the threat of deforestation and forest fires around its palm-oil plantations, Musim Mas has implemented conservation projects on 10% of the peatland it manages and has set aside as much as 24,220 ha of land for conservation purposes, which represents 12% of their total land title³¹. Since there are risks in developing water-stressed areas, including ground-level drop as a result of extensive groundwater use, Musim Mas also discloses its water intensity level in its disclosure to CDP. The company has a goal to reduce their water intensity level by 4% by 2025³².

To reduce methane emissions from palm oil mill effluent (POME) processing activities, Musim Mas has built 14 methane-capture facilities³³, with an additional facility being built in 2021³⁴. Through these facilities, Musim Mas has been able to recycle methane and use it to generate electricity.



A SYNERGY FOR CLIMATE ADAPTATION, NO DEFORESTATION AND WATER SECURITY IN INDONESIA

The purpose of the three policies (NAP for SDG's, POJK 51/POJK03/2017 and PROPER) is to encourage actors in the private sector to take action in support of sustainable development in Indonesia.

Based on the mapping, the three policies are linked to a total of 66 CDP questions. Most of the links (35) are found in CDP's climate change questions, followed by 13 water security questions and eight forest questions. The climate change questionnaire highlights corporate action on adaptation and targets for waste management and other environmental and climate-related issues. The forests questionnaire provides insights for land-use management and biodiversity-related issues, while the water security questionnaire captures data on water consumption and efficiency.

The CDP questionnaire also includes several questions that are partially aligned with the three policies, therefore providing a complementary set of data for stakeholders. For example, CDP dataset provides the NAP for SDGs insight on the number of Blue-rank companies based on PROPER. Furthermore, the questions that fully align with PROPER indicators can gauge how many companies effectively apply the environmental management standard.



CDP DISCLOSURE AND INDONESIA'S SUSTAINABILITY POLICIES

By enacting the NAP for SDGs, POJK 51/POJK.03/2017 and PROPER, the government of Indonesia has paved the way for decisive corporate action in addressing climate change and improving transparency. These regulations may increase public-private collaborations to achieve environmental sustainability, while shining a light on Indonesia's progress toward its 2030 target.

Intertwined policies: surfacing links and potential synergies through CDP data

The NAP for SDGs acts as a national interpretation of an international commitment; it is a critical framework for guiding the implementation of sustainable development in Indonesia. Further, POJK 51/POJK.03/2017 and PROPER are important tools for ensuring the contributions of various sectors in achieving environmental stewardship and sustainable development. Through this mapping, we found overlapping indicators across the three policies, many of which can be connected directly or indirectly through the CDP dataset. The CDP platform can therefore provide insight and support policymakers in tracking the progress of the implementation of these policies, enabling synergy and alignment among actors.

Demonstrating progress: CDP enables companies to show environmental leadership and provides insight for policy development

The CDP framework enables companies to assess potential environmental impacts

on their financial performance and to develop strategies to ensure resilience. The insights reported by companies on their environmental actions can help governments track progress toward sustainability goals, identify challenges and opportunities in policy implementation, and inform future policy developments.

From insight to action: CDP data provides insight to policymakers in driving corporate action toward environmental sustainability

The CDP dataset provides standardized, comparable quantitative and qualitative data that can generate meaningful insights for companies and investors. It also supports effective policymaking regarding environmental risk exposure among companies. This information can trigger awareness and drive action to ensure that the potential risks are managed accordingly. For policymakers, data collected from companies can provide useful insight into the effectiveness of policies and can help to identify challenges and opportunities for implementation.

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ANNEX

ANNEX 1.

THE ENVIRONMENT SDG INDICATORS WHERE CDP DATA IS ALMOST ENTIRELY ALIGNED

Table 2: The Environment SDG Indicators where CDP data is almost entirely aligned

SDGs Number	National Action Plan for SDG Indicators		CDP Thematic Data Set Contribution		
	Code	Indicators	CC	F	WS
 Clean water and sanitation	6.1.1*	Capacity of raw water infrastructure to serve households, cities and industry, as well as the supply of raw water for the islands.			
	6.2.1*	Percentage of households using safely managed sanitation services, including hand washing facilities with soap and water.			✓
	6.3.1.(a)	Proportion of safely treated wastewater			✓
	6.6.1*	Changes in the level of quality and quantity of water resources in aquatic ecosystems from time to time	✓		✓
	6.5.1*	Level of implementation of integrated water resources management (0-100)			✓
	6.4.2.(a)	Proportion of taking raw water from freshwater to its availability - Water Stress			✓
	6.4.2.(b)	Proportion of taking raw water from groundwater to its availability - Water Stress			✓
 Affordable and clean energy	6.4.2.(b)	Proportion of taking raw water from groundwater to its availability - Water Stress	✓		
	7.b.1*	Installed capacity of electricity generation from renewable energy	✓		
	7.2.1*	Renewable energy mix	✓		
	7.1.1 (a)	Electricity consumption per capita	✓		
 Transportation and infrastructure	9.4.1 (a)	Reducing greenhouse gas emissions in the industrial sector	✓		
	9.4.1 (b)	Emission intensity of industrial sector	✓		
	9.4.1*	Ratio of CO2 emissions / greenhouse gas emissions to added value in the manufacturing sector	✓		
 Sustainable cities and communities	11.4.1 (a)	Percentage of national waste that is managed	✓		

SDGs Number	National Action Plan for SDG Indicators		CDP Thematic Data Set Contribution		
	Code	Indicators	CC	F	WS
<div>12</div>  <div>Sustainable consumption and production</div>	12.5.1.(a)	The amount of generated waste that is recycled	✓		✓
	12.4.2*	(a) hazardous waste generated per capita; and (b) The proportion of B3 waste handled / processed based on the type of handling / management	✓		
	12.7.1.(b)	Number of Documents for the Application of Environmentally Friendly Labels for the procurement of goods and services	✓	✓	
	12.4.1.(b)	Percentage reduction in ozone depleting substances from baseline	✓		
	12.6.1*	Number of companies that publish their sustainability reports	✓	✓	✓
	12.8.1.(a)	The number of formal education units and institutions / communities that care about and have a culture of the environment	✓	✓	✓
	12.a.1*	Installed renewable energy generating capacity (in watts per capita)	✓		
	12.7.1*	Degree (degree) of public procurement policy and plan implementation	✓	✓	
<div>13</div>  <div>Climate action</div>	13.2.2.(b)	Potential to reduce the intensity of greenhouse gas (GHG) emissions	✓	✓	
	13.2.2.(a)	Potential for reducing greenhouse gas (GHG) emissions	✓	✓	
	13.1.2*	Planning and implementation of a national disaster management strategy which is in line with the Sendai Framework for Disaster Risk Reduction 2015–2030	✓		
	13.a.1.(a)	Amount of public funds (budget tagging) for climate change funding	✓		
	13.2.2*	Total annual greenhouse gas (GHG) emissions		✓	
<div>15</div>  <div>Life on land</div>	15.1.2.(a)	Area of High Conservation Value (HCV)	✓	✓	
	15.7.1.(a)	Number of cases of hunting or illegal trade in plants and Wildlife (TSL)	✓	✓	
	15.3.1*	Proportion of degraded land to total land area	✓	✓	
	15.9.1.(a)	Aichi 2 Biodiversity utilization plan from the Strategic Plan		✓	
	15.a.1.(a)	Official development assistance for the conservation and sustainable use of biodiversity		✓	
	15.b.1.(a)	Official development assistance for the conservation and sustainable use of biodiversity		✓	
	15.c.1.(a)	Number of cases of illegal TSL hunting or trade		✓	

*Overview of aspects assessed in the NAP for SDGs. Columns 4-6 refer to CDP questionnaires: CC - Climate Change, F - Forest, WS - Water Security. A tick in columns 4-6 reflects company responses to CDP questionnaires could provide data relevant to the corresponding elements in the NAP.

ANNEX 2.

ALIGNMENT BETWEEN THE CDP QUESTIONNAIRES AND ENVIRONMENTAL SECTION OF POJK NO. 51/ POJK.03/2017

Table 3: Alignment between the CDP Questionnaires and Environment section of P.OJK No. 51/POJK.03/2017

Brief Indicators	CC	F	WS
Economic Aspect	20%	0%	0%
Eco-friendly products	✓		
Environmental Aspect	0%	0%	0%
Social Aspect - Positive & negative impact of implementing sustainable finance for society and environment			
A brief company profile	10%	0%	10%
Membership Association	✓		✓
Board of Director	31%	8%	38%
Sustainability values policy			✓
Responses and implementing policies			✓
Leadership commitment	✓	✓	✓
Risk management (ESG)	✓		
Business opportunity and prospects	✓		✓
External factors toward sustainability	✓		✓
Sustainable governance	57%	43%	43%
The role of management	✓	✓	✓
Precedure in identifying, measuring, and controlling risk	✓	✓	✓
Stakeholder involvement	✓	✓	✓
Stakeholder engagement	✓		
Sustainability performance	100%	0%	100%
Activities to build sustainability culture	✓		✓
Economic aspect performance	50%	0%	0%
Target and performance comparison	✓		
Environmental/ Ecological aspect performance	80%	0%	40%
Environmental cost incurred	✓		
Eco-friendly material	✓		
Total energy consumption and intensity	✓		✓
Energy efficiency and renewable energy consumption	✓		✓

Brief Indicators	CC	F	WS
Environmental/ Ecological aspect performance of business process directly related to environment	46%	38%	31%
Activities or operational areas that have positively/ negatively impacted the environment and its ecosystems		✓	✓
The positive or detrimental impact from operation within conversation area		✓	
The conversation acitivites in biodiversity, and protecting endangered species	✓	✓	
Total emission and intensity according to scope	✓	✓	
The activities for emission reduction	✓	✓	
Total waste or effluent according to types	✓		✓
Waste and affluent management	✓		✓
Spill data (if any)	✓		
Environmental complaints resolved			✓
Innovation and product development or sustainable finance	40%	60%	0%
Innovation and product development or sustainable finance	✓	✓	
Total or the percentage of certified products for consumer		✓	
Positive and negative impact from sustainability activities	✓	✓	

*Overview of aspects assessed in P.OJK No. 51 / 2017. Grey rows indicate where company responses to CDP questionnaires could provide data relevant to the corresponding elements of OJK No. 51 / 201. Columns 2-4 refer to CDP questionnaires: CC - Climate Change, F - Forest, WS - Water Security. The percentages in columns 2-4 reflects the proportion of alignment between each CDP questionnaire and the total indicators per section.

ANNEX 3.

ALIGNMENT BETWEEN CDP QUESTIONNAIRES AND RELEVANT ASPECTS IN PROPER PERMENLHK NO. 1/ 2021

Table 4: Alignment between CDP Questionnaires and relevant aspects in PROPER PERMENLHK No. 1/ 2021

Section	Sub-section	CC	F	WS	Overall
B. Summary of environmental management performance document (DRKPL)		13%	2%	4%	16%
Introduction	1. Company Profile	✓			
Introduction	2. Description of the company's production process	✓	✓		
Eco-friendly Product Certification		✓			
Green Building Certification		✓			
Energy efficiency	1. Status	✓			
Emission reduction	1. Status	✓			
Emission reduction	2. Absolute results	✓			
Water efficiency and reduction of water pollution load	1. Status: a. Water efficiency			✓	
Water efficiency and reduction of water pollution load	2. Status: b. Reduction of water pollution load			✓	
C. Life cycle assessment aspect		17%	22%	6%	33%
Planning		✓	✓	✓	
LCA		✓	✓		
Certification			✓		
D. Environmental management system		14%	14%	11%	19%
Policy		✓	✓	✓	
Planning		✓	✓	✓	
Implementation		✓	✓		
Check and balance			✓	✓	
Performance review		✓	✓	✓	
Influence		✓	✓	✓	
E.1. Energy efficiency aspect		18%	0%	0%	18%
Energy efficiency policy		✓			
Planning		✓			
Emission inventory		✓			
Reporting		✓			
Program Implementation		✓			

Section	Sub-section	CC	F	WS	Overall
E.2. Emission efficiency aspect		39%	0%	0%	39%
Energy efficiency policy		✓			
Planning		✓			
Emission inventory		✓			
Reporting		✓			
Program Implementation		✓			
E.3. Water efficiency and waste reduction		0%	0%	22%	22%
Water efficiency and water pollution load reduction policy				✓	
Structure and responsibilities				✓	
Planning				✓	
Reporting				✓	
E.5. Hazardous waste reduction and management		9%	0%	0%	9%
Planning		✓			
Program Implementation		✓			
E.6. Biodiversity conservation aspect		0%	36%	0%	36%
Biodiversity protection policy			✓		
Planning			✓		
Program Implementation			✓		

*Overview of aspects assessed in PROPER PERMENLHK NO. 1/ 2021. Green rows indicate where company responses to CDP questionnaires could provide data relevant to the corresponding PROPER section and sub-section. Columns 3-5 refer to CDP questionnaires: CC - Climate Change, F - Forest, WS - Water Security. The percentages in columns 3-5 reflects the proportion of alignment between each CDP questionnaire and the total indicators per section.

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About CDP

CDP is a global non-profit that runs the world's environmental disclosure system for companies, cities, states and regions. Founded in 2000 and working with more than 590 investors with over \$110 trillion in assets, CDP pioneered using capital markets and corporate procurement to motivate companies to disclose their environmental impacts, and to reduce greenhouse gas emissions, safeguard water resources and protect forests. Over 10,000 organizations around the world disclosed data through CDP in 2021, including more than 9,600 companies worth over 50% of global market capitalization, and over 940 cities, states and regions, representing a combined population of over 2.6 billion. Fully TCFD aligned, CDP holds the largest environmental database in the world, and CDP scores are widely used to drive investment and procurement decisions towards a zero carbon, sustainable and resilient economy. CDP is a founding member of the Science Based Targets initiative, We Mean Business Coalition, The Investor Agenda and the Net Zero Asset Managers initiative.

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