

Dunamis Organization Services

UN Global Compact 1st Communication on Progress

2006 – 2007



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STATEMENT OF SUPPORT

On 8 April 2006, Dunamis Organizational Services became one of the first dozen Indonesian companies to support the UN Global Compact. Two years on, this first Communication on Progress report showcases the implementation of UN Global Compact principles through the policies and practices of our company and the work of the Dunamis Mitra Pertiwi Foundation. It serves also as a baseline report against which we can measure our future accomplishments.

With this publication of this report, Dunamis reaffirms our continued support to the principles of the UN Global Compact, covering human rights, labor rights, protection of the environment and anti-corruption.

Jakarta, April 2008
Nugroho Supangat, Managing Director

DUNAMIS ORGANIZATION SERVICES

Dunamis Organization Services is an Indonesian professional services firm incorporated in 1991. We focus on Leadership Development, Organizational Alignment, and Knowledge Management. Our clientele is a cross industry of Indonesia's most progressive institutions.

Our Mission:

We enable greatness in people and organizations everywhere

Our Vision:

To be recognized as a world class professional services firm -- an OASIS for Indonesia

Our Values: *ROCK*

- 1. Results Oriented.**
- 2. Open Feedback.**
- 3. Strong Character.**
- 4. World Class “K”ompetence**

Dunamis Mitra Pertiwi Foundation

In 2001 the management team at Dunamis Organization Services established Dunamis Mitra Pertiwi Foundation¹ to implement a pilot program assisting the disadvantaged community immediately surrounding our company's training facility in West Java.

The Foundation is now implementing three types of community based-programs: Leadership Development Training for Community Leaders, Capacity Building and Participatory Engagement.

In addition to these regular ongoing programs, the Foundation has also conducted emergency response programs in the form of Post-Trauma Recovery and Volunteers' Readiness Programs in post-Tsunami Aceh and in Klaten following the earthquake that hit Central Java in June 2006.

¹ Literal translation of *Mitra Pertiwi*: Partner of Mother Earth

“staff at Dunamis can enjoy a healthy company-provided lunch every work day”

Photo: Women in Pasir Angin learning crafts as part of DMPF livelihood training



IMPLEMENTATION OF UNGC PRINCIPLES

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: ensure that they are not complicit in human rights abuses

Human Rights policies have been incorporated into Dunamis company policy and are abided by in our practices.

The following are several examples of the ways that elements of our business practice reflect specific rights conveyed in the United Nations Declaration of Human Rights (UDHR), or more general notions of human rights.

Case 1: Working Conditions

Dunamis offers favorable working conditions to its employees, corresponding to Article 23 of the UDHR:

“(1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

(2) Everyone, without any discrimination, has the right to equal pay for equal work.

(3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity”

Conditions of employment at Dunamis are outlined by the company regulations document approved in 2003 by the Department of Manpower. The policy under Chapter 1, Article 3(e), states that all employees have the right to equal treatment in line with their Human Rights. It also outlines the company’s remuneration standards, working hours as well as employees’ rights to holidays and leaves and to practice their faith. The policy also outlines a warning system and disciplinary guidelines which provides employees with protection against unemployment.

Well beyond the minimum standards of employment, staff at Dunamis are free to enjoy a healthy company-provided lunch on every work day, served at our indoor and outdoor lunchrooms. Staff not at the office receive a lunch allowance.

Case 2: Capacity Building

As part of its Capacity Building program, Dunamis Mitra Pertiwi Foundation runs three Taman Pendidikan (Educational

Kindergardens), which provide pre-elementary education to over 60 children annually in Pasar Angin village, West Java. This is supported with a range of scholarships offered to high-performing primary and secondary students around the area.

The programs also work in providing livelihood training to youth and women in the area, and assisted in the construction of a community health facility.

The goal of these projects is in line with the provisions for adequate standard of living as outlined in the UDHR:

“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family...”

-- UDHR, Article 25(1)

As well as the provision for education:

“Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory...”

-- UDHR, Article 26(1)

Photo: Dunamis Training Facility



Case 3: Community Access to Land

As an act of respect for the rights of the community surrounding Dunamis' training facility in Pasir Angin village, the property remains unfenced, allowing for community access to and from their livelihood. Although this was and still is an uncommon practice in Indonesia, the decision was made not to close-off the property during construction of the facility, when it was recognized that fencing off the property would create a difficulty for the local community who would need to circle the area to get to and from home.

Case 4: Media Presence

Dunamis personnel contribute regularly to major Indonesian publications. Each month, around fifteen articles written by Dunamis staff appear in one of leading Indonesian newspapers and magazines.

The articles represent themes that are of our business interest, covering organizational effectiveness and training, as well as wider ranging issues including corporate social responsibility, democracy and social justice. With this activity, while increasing our company's profile, we also become champions of another right presented in the UDHR:

“Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive

and impart information and ideas through any media and regardless of frontiers.”

-- UDHR, Article 19

Case 5: Kinsani Training

In 2006, we launched a training program called “Kinsani: The 8th Habit”, which emphasizes finding the inner voice and inspiring others to find theirs. The program in its Indonesian context is applied to *Hak Azasi Manusia Indonesia* (Indonesian Human Rights), imparting to participants of the training program that they have the ability and responsibility to help others by virtue of being able to meet their own basic needs.

LABOUR STANDARDS

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation

Dunamis employees have the freedom to associate and the right to collective bargaining following the guidelines provided under the relevant national law.

All Dunamis employees have chosen their employment freely and have the freedom to leave the company upon due notice, as outlined in the company regulations. Dunamis strives to continue being an employer of choice, through the provision of favorable working conditions elaborated above in this report.

A company with over 35% female staff, Dunamis does not discriminate on the basis of gender with regards to recruitment and employment, nor do we discriminate based on faith, race or political association.

Case 6: Supporting the Abolition of Child Labor

Dunamis does not employ child labor, defined ILO Convention No.138 as being children under the age of 15 years. Company

“Dunamis strives to continue being an employer of choice”



Photo: A School established by Dunamis Foundation

regulations set the minimum age for employment at Dunamis as 19 years.

Dunamis Mitra Pertiwi Foundation also contributes to the abolition of child labor through its community-based programs, which assist in providing access to education for children who would otherwise be out-of-school and/or working. The programs cover:

- Leadership Training for Community Leaders, including teachers and youth group leaders.
- Capacity Building, including establishment and management of schools in Pasir Angin village in West Java, and scholarships for high-performing students.
 - Participatory Engagement, in the form of Future Search dialogues designed to assess the needs of the community.

Dunamis has also been involved in organizing a workshop with UNICEF Indonesia on the Elimination of Child Labor.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: undertake initiatives to promote greater environmental responsibility

Principle 9: encourage the development and diffusion of environmentally friendly technologies

In our everyday business activities, Dunamis encourages environmentally friendly practices. We reuse printing paper for internal purposes and procure reusable or degradable materials for our training items.

Respect for environment sustainability is also showcased in the surroundings of our company's training facility in Pasir Angin village, Central Java. During its construction, it was policy to cut down as few trees as possible, none was removed around the constructed buildings. In fact, vegetation around the property remains well-maintained.

Case 7: Tree Planting As part of our unique company tradition, tree-planting has been part of the induction process for new staff

“Dunamis encourages environmentally friendly practices”

Photo: Planting at Klaten



members. This ritual symbolizes the growth of a new partnership with the company.

The trees used to be planted in our main office in Jakarta but are increasingly being planted in our training facility in Pasir Angin, as part of the new staff's introduction to the facility and Dunamis Mitra Pertiwi Foundation.

Tree planting is also part of the company's annual anniversary activities, both in Jakarta and Pasir Angin.

Case 8: Klaten Gotong Royong

In June 2006, Dunamis Mitra Pertiwi Foundation responded to the earthquakes in Central Java by implementing programs in Klaten. The program, entitled *Klaten Gotong Royong* (Klaten Working Together), invited locals to work together in building emergency temporary schools replanting trees and other vegetation that were destroyed by the earthquakes.

Three loads of Dunamis staff travelled to Klaten, delivered trauma response training program and invited community members' participation in the rebuilding and replanting activities, including school children and youth.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Dunamis is actively involved in the promotion of transparency in government and businesses. This view is incorporated in our company regulations, which prohibits bribery and extortion in all its forms.

We sign Integrity Pacts with our major clients, which call for the elimination of all forms of corruption, including bribery and extortion. This is increasingly becoming common practice, especially with our finance industry clients. Starting from this year, Dunamis will seek to design a similar pact to be incorporated with all our Memorandum of Agreements with existing and future clients.

Case 9: Selection Panel for Commission to Eliminate Corruption

Dunamis personnel were members of a selection panel for the Commission to Eliminate Corruption in 2006.

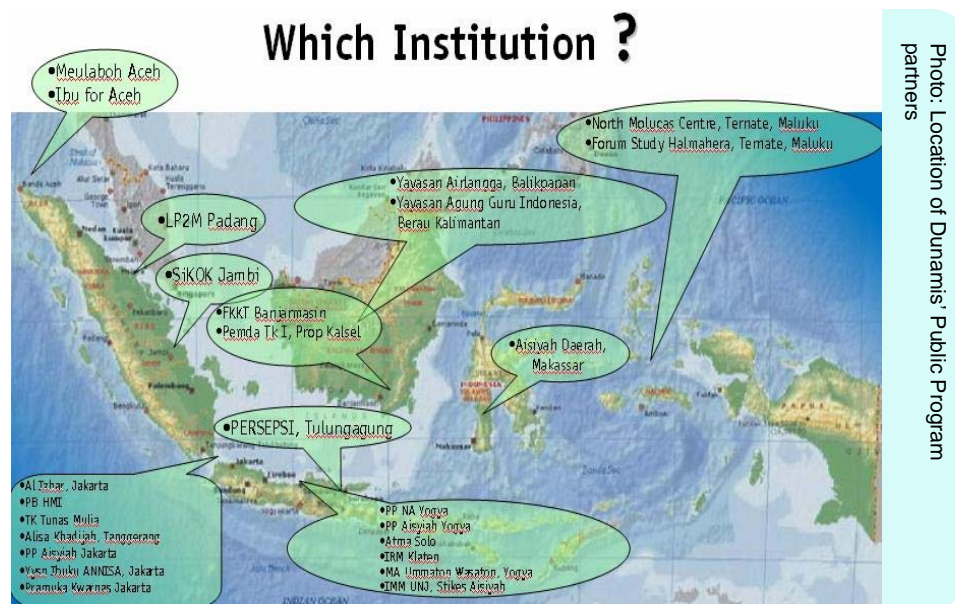
"Dunamis is actively involved in the promotion of transparency in government and businesses."

PARTNERSHIPS IN SUPPORT OF UN GOALS

Over the years, Dunamis has both initiated and participated in partnerships with government agencies, NGOs and other civil society organizations, as well as student and youth organizations.

The existence of Dunamis Mitra Pertiwi Foundation within a relatively modest-sized company such as Dunamis Organization Services is hoped to inspire other companies to increase their participation in empowering their wider surrounding community.

Case 9: Dunamis Public Programs



On a regular basis, we organize Public Programs for representatives of numerous groups at little to no cost on a regular basis. This includes representatives from educational institutions such as teachers and student organization representatives, government agencies and NGOs, located all over Indonesia.

The programs are designed to increase the effectiveness of the participants, which can then be transferred to the institutions they belong to.

Case 10: CSR Training

In 2006, Dunamis invited a number of Indonesian civil society organizations and corporations to a workshop on Corporate Social Responsibility (CSR). The workshop was designed to encourage public-private partnerships in the form of CSR programs.

Case 11: Kinsani.net

Following the launch of our latest training program, Kinsani: The 8th Habit, in 2007 Dunamis launched Kinsani.net (<http://www.kinsani.net>). It is a virtual network for Indonesian individuals and institutions to share information on their activities in communities around Indonesia.

DISTRIBUTION OF THIS COP

This first Communication of Progress will be made available to our stakeholders on our website (<http://www.dunamis.co.id>), as well as being distributed by mail to all company employees.

For more information on this report, please contact nugroho@dunamis.co.id

To obtain a copy, please contact our office at:

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