



To our stakeholders:

I am pleased to confirm that PPM Manajemen since November 10, 2008 has joined the Indonesia Global Compact Network, and since then PPM Manajemen support of the Ten Principles of the United Nations Global Compact in the areas of human rights, labor, environment and Anti-corruption.

We believe that by implementing the principles of UNGC, PPM Manajemen persist, continue to grow and contribute to our partners and create better condition, not only for businesses but also for Indonesia as a whole.

In this biennial Communication on Engagement (COE) report, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Yours sincerely,

Martinus Sulistio Rusli, Ph.D.
CEO



ABOUT PPM MANAJEMEN

PPM Management stood in the middle of Indonesia conditions which has just been reborn after periods of transition from the full period of 1945-1966, which were marked by the birth of the New Order regime. In the New Order or “Orde Baru” period is that then a lot of people connected with the inception of the regime of President Suharto, at an early stage more concentrated on building development in the agricultural sector, with at the same time also began to plan development in other sectors.

Development process of the course not only in need of raw materials, labor and the spirit, but also requires the existence of a figure who was able to come across as thinkers, planners and decision makers, in other word, development requires experts we can refer to as a Manager. PPM Manajemen was established for these needs, PPM Manajemen is the place where the managers came from, who will become agent of change and also those who will shape the future of the nation of Indonesia. Since 1967 until now PPM Manajemen still hold that timeless spirit.

PPM Manajemen’s vision is become the pre-eminent management institutions not only in Indonesia but in Southeast Asia also, which is a popular choice and pride for the user services, employees, and stakeholders.

This vision achieved through:

- Providing cutting edge management services, applied-oriented, and relevant;
- Conduct continuous updates to keep paying attention to the needs of the market;
- Upholding and developing professionalism;
- Implement and disseminate social responsibility;
- Develop a network of national and international.

PPM Manajemen in rolling out variety of management education and management coaching process is well aware that there are demands to bring out what they have learned in PPM and connecting to the real world, but at the same time PPM also aware that Indonesia has value which is also worthy of our play to the world, so we are proud to still be commented: "Think Globally, Act Locally"

Through PPM School of Mangement, PPM Manajemen is constantly working to establish good cooperation with local institutions, as well as with international academic institution. For example, at present we are still actively partnering with the Bordeaux School of Management, and at the right time to come will be partnering with the University of Southern California, as well as the Asian Institute of Management (AIM) Philipines.



While to enrich the content of the alumni, we also are partnering with a variety of professional organizations in Indonesia, so when will the alumni working in the real world, they have also been provided by a variety of certification. PPM Manajemen have established close cooperation with the Indonesia Logistics Association, Indonesia Association of Tax Consultant and Indonesia Board of Professional Certification.

We also believe that research holds an important role in realizing life learn to teach the concept. So it's not an exaggeration if we indeed pay attention to the development and research. Since the last seven years, PPM Manajemen successfully established PPM Research Center and Clearing House (RC-CCH), which focuses on the efforts of the birth of the spirit and a good understanding of the role of research, not just for the sake of learning but also always encourage the positive role of research the world of business.

It turns out our desire that corresponds to the expectations of the business world, so that the last few years whenever RC-CCH deploying event surrounding the Research management, we have always supported by the leading business circles in the country. Call it the airline Garuda Indonesia, Tiga Pilar Corporation, and Tempo Inti Media, has been willing to become active partners who not only contribute their thoughts and ideas but also the financial donations which make this project possible.

Related to the development of human resources, could be said that PPM can answer the needs of both the private and government circles, especially in an effort to create human resources better, which led to the creation of better performance of the institution where the talent work.

A long track record and is recognized as one of the best in the country, making an everlastingly be citation PPM Manajemen for various institutions in the search for solutions in particular in matters of human resources. Leading institutions such as the Corruption Eradication Commission (KPK), Bank Indonesia, Garuda Indonesia, the State Owned Enterprises and the big number of private sectors, local government, has entrusted PPM Manajemen as their strategic partner.

Related to this, we shall not stay silent, but continued to perform a variety of innovations and breakthroughs, so we not only become the institution that is able to respond to the demands of the market, but also comes with carrying a new discourse in the study of human resource development in Indonesia.

We are aware of the challenge ahead is much heavier again. Should we create choice indeed. Silent without changing and enjoy the comfort zone, or continues to innovate a little danger risk



keeps. We chose to do the latter, we are confident with the computation of a more mature, with the support of all concerned we could come across as the winner.

PPM Management so proud, because we are constantly working to not teach but also implemented good business ethics. For decades we practiced what is known as a Good Corporate Governance, and we proved we could even we can continue to grow too. This challenge is not easy, many projects which has a huge chance to give us big amount of profit, but we have to let it go, because sometimes we were asked to obey the agreement with the various interests that led to a form of corruption and bribery act.

But it turns out that in Indonesia is still a lot of businesses are in line with us, we grow together, and always attempts to transmit this 'good values' to the rest of the circle of Indonesia business sectors.

PPM MANAJEMEN BUSINESS UNITS

Ppm School Of Management

Designed to answer companies' needs for managers who have conceptual thinking skills, supported by a wide range of management knowledge, dynamic learning process, thinking diagnostic-solution applied, professionalism and having social responsibility, also support by the new curriculum which have capability to answer the speed of change.

PPM's Master in Management for Executives program provides conducive learning-environment to expand knowledge and skills of the participants by; Providing enrichment in managerial knowledge and skills, Developing conceptual and management knowledge and applying them to the participants specific context, Increasing strategic thinking skills and innovation, Global perspectives, Recognizing individual interests and potentials, and maximizing the opportunity to learn from the diversity in the backgrounds and experiences of other participants.

Executive Development Program

To meet the Public demand we have more than 60 titles of Executive Enhancement Program, covering Decision Making, Strategic Management, Human Resources Management, Marketing Management, Operation Management, Financial Management, and General Management and Special Skills. These program could take place in PPM Office site, or in-house training, which mean the training conducted in outside PPM Management office.



In-house training, usually preceded by a training needs survey first. Based on this survey, not only are the company's management needs analyzed, but special training programs are proposed, tailored to the specific needs which uncovered in the survey. These short programs have proved very effective for companies experiencing rapid growth in industries, trade, government and other organizations.

PPM Management e-Learning

Founded since 1979, today PPM Management e-Learning has served more than 200.000 participants individually or groups. PPM Management e-Learning is management courses support by ICT or e-based learning modules.

Since 1991 PPM Management e-Learning has join program with international institution: JMA (Japan Management Association), The Association for Overseas Technical Scholarship (AOTS), International Trade Centre, UNCTAD / GATT, and Touro College USA.

PPM Management Consulting

Offered since 1974 by PT Binaman Utama (part of PPM Management). Provide outside opinion on both strategic and operational problems in order to meet targets involving marketing, human resources, finance, operations, and production. Offered to companies and other organizations, large and medium sized, for profit and non-profit organization. Management Consulting is Supported by fulltime PPM Professional staffs. A three-pronged approach-identifying the client's need, setting up a work plan, and helping the client to do what the work plan requires.

PPM Assessment Center

Part of PT Binaman Utama in recruitment, selection and placement of human resources to get the best individual suited to the client's needs. Through the 360 degree Assessment Method, Assessment Center is an integrated method consisting of psychometric, individual assignment, business games, role play, group discussion, presentation and interviews specially designed to get a profile of the prospect related to the client's needs. Supported by the assessor team which consists of professional in management and psychology.

PPM Management Research

Part of PT Binaman Utama which offers a comprehensive research , that consistently covers all areas of management, namely marketing, operations, finance, HR and strategic management.



Strengths and Advantages of PPM Management Research are conducted in appropriate methodology and design which is based on the strong fundamental theory, supported by researchers who have expertise in each functional field, besides providing the research with the fact-finding (insight), it is also completed it with strategic recommendation based on research finding, and PPM Management Research provides a wide range areas that cover all Indonesian region.

PPM Publishing

Under the flag of PT Pustaka Binaman Pressindo (PBP), PPM Publishing has been publishing management books since 1981. Today PBP also supported by Forum Kajian Manajemen (FKM or Management Knowledge Forum) become host of Seminars on certain topics related to the popular management books, or the latest management insight.

PPM Management Information Resource Center

Since 2010, our Management Information Resource Center has new identity and known as **Tanoto Library**. Our sources in the library are the most comprehensive collection in Indonesia, consist of more than 30.000 book titles, more than 36 titles of printed journals. CD-ROM: Pro Quest ABI/Inform containing more than 800 titles of journals/papers from all over the world on business, management, economic and other related issues. Electronic media: EIU (Economist Intelligence Unit) – “Indonesian Country Forecast” and “**Viewswire**”. Directory: CD-ROM Business Intelligence Database, and more than 300 video titles.

HUMAN RIGHTS

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and,

Principle 2:

make sure that they are not complicit in human rights abuses Assessment, Policy and Goals

Assessment, Policy And Goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

PPM Management is aware that a good business is built on fundamental values that respect and protect all parties in the universal values of human rights. Implementation of these commitments, Management PPM constantly establishing a variety of rules and guidelines to make this commitment works, all of the PPM Manajemen daily business activities at the same path of this commitment also, and we strongly confirmed that all those activities based on the human rights values.

Implementation:

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

Some of the activities that we have done related to our efforts to respect the human rights, are:

PPM Manajemen was established by the Yayasan PPM which the good example of the harmony of diverse religions and beliefs in Indonesia. So it is not an exaggeration to mentioned that PPM Manajemen is a miniature of the Republic of Indonesia.

PPM Manajemen strongly aware that to walk the religious values requires place to worship. PPM Manajemen currently equipped by two Musholla (Muslim praying room) and can accommodate up to 400 worshippers both men and women.

Meanwhile for Friday Prayer service that require a wider space, Yayasan PPM has allowed to use of the Auditorium or Gathering Room, Bina Manajemen B Building, which can accommodate more than 500 worshippers.

PPM Manajemen also facilitating Christian religious services, both from the availability of the room of worship, also facilitates to invite The priest to share with the fellow Christians in PPM Manajemen.

PPM Manajemen also has a Lactation room which designed to reduce barriers to breastfeeding mothers by enabling them to breastfeed their child or "pump" expressed milk for later use once they physically return to work.

Measurement of outcomes

- All of those activities were implemented in the PPM Manajemen with regard to the universal values of human rights set forth in Code of Conducts guidelines of ppm Manajemen employees, which rooted in Indonesian culture and refers to the universal principles of human rights.

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LABOR

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.

Assessment, policy and goals

Description of the relevance of labor rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

PPM Manajemen through Bipartite Forum seeks to accommodate the aspirations of employees PPM Manajemen to the Management and vice-versa, and seeks the alternative solution when there is a difference of understanding. Bipartite in practice is facilitated by the Division of Human Capital Management and aims to create conducive working atmosphere, and creating a harmonious relationship between employees and management.

PPM Manajemen is completely comprehend that the availability of adequate working space, with a variety of supporting appliances is a must.

Dining Room for all of PPM Manajemen Employees is designed with the concept of togetherness, egalitarian without distinguishing class, position and level.

ENVIRONMENT

Principle 7:

Businesses should support a precautionary approach to environmental challenges;

Principle 8:

undertake initiatives to promote greater environmental responsibility; and,

Principle 9:

encourage the development and diffusion of environmentally friendly technologies.

Assessment, policy and goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

PPM Manajemen building was designed with the concept of Green Building Concept. Exposure of sunlight serve as lights in the daytime, electric lights is only use when needed.

Includes air conditioning (AC) activated only a moment before activities will take place and immediately deactivated once the activity completed.

Aware that water resources are very limited PPM Manajemen published a call for using water as needed and strongly discourage excessive water usage.

PPM Manajemen made several infiltration wells and infiltration holes as efforts to increase the availability of groundwater resources.

Trees as a shade, also planted to catch the rainfall, reduce air pollution, and also reduce the noise pollution that caused by the traffic.

Using the saving energy lamp.

ANTI-CORRUPTION

Principle 10:

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

Assessment, policy and goals

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

We proudly said that , PPM Manajemen constantly try to not only teach but also implemented good business ethics. For decades we practiced what is known as a Good Corporate Governance (GCG), and we proved that we could even continue to grow. This challenge is not easy, many projects which has an huge chance to give us big amount of profit, but we have to let it go, because sometimes we were asked to obey the agreement with the various interests that led to a form of corruption and gratification act.