



COMMUNICATION ON PROGRESS (COP)

INDONESIAN RETAIL MERCHANTS ASSOCIATION (APRINDO)

From: 16 October 2017 – 16 October 2018

Part. I Statement to Continued Supported by Chief Executive or Equivalent

(October, 25th 2018)

To our stakeholders:

We are so glad to declare that our company, The Retail Merchant Association (APRINDO) are currently supporting the United Nations (UN) Global Compact. The issues we emphasize regarding this matter such as human rights, labour, environment, and anti-corruption consisting of ten principles. In addition, we also support 17 Sustainable Development Growth (SDG's) with the goal to achieve positive changes in 2030.

The aim of this Communication on Progress (CoP) was made, is to explain the actions we have implemented to support The UN Global Compact. We also appeals all members of Aprindo to engage with the actions taken. Our actions may have not been great yet, but we hope that we can contribute to the world.

Lastly, we hope Aprindo can make the world better through UN Global Compact.

Sincerely,

Roy N Mandey

Chairman

Part. II Descriptions of Actions

Below we can find APRINDO's action that have incorporated UN Global Compact principles and supported the achievement of SDG's through our enagement with various stakeholders.

a. About APRINDO

I. Background

Indonesian Retail Merchants Association (Aprindo) is a set of entrepreneurs engaged in Indonesian retail with an official permit and has functioned as the keeper against its members. Aprindo was established in Jakarta on 11 November 1994 as business entities and the construction of human resources, in order to increase the role of partnerships with government agencies/private as well as the medium of communication and consultation on the basis of the aspiration to progress together and also have statutes or bylaws and membership is open to companies of its kind, that need to be joined at Aprindo.

II. Profile

Number of members: 405 companies

Number of outlets: 35,000 across Indonesia

b. Our purpose

- Gather or give the container in retail companies in Indonesia to fight together and work together in the face of globalization of trade
- Together with increase insight and advance education in the field of retailing in Indonesia
- Together to build a partnership with the Government of Indonesia in deciding the future of the retail company in Indonesia, among others, in the making of laws and regulations that support the retail business in Indonesia
- Retail entrepreneurs convened in Indonesia in one unity for progress in the field of retail business, in order to open the widest breadth of employment to the community.

c. We engage people and partner to:

- Increasing the access of small-scale industrial and other enterprises
- As containers for all retail companies in Indonesia for gather, work together, and brainstorm
- Help other retail companies to know the government regulations
- Work with the government in the making regulations about retail companies in Indonesia

- As a partner for government in improving the economy of Indonesia

d. Actions

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.

Aprindo has principles to uphold human rights, especially in the form of service to the consumer. We urge all members to not discriminate when serving, especially when they're disabled.

Furthermore, according to article 3 of the Universal Declaration of Human Rights: "Everyone is entitled to life, liberty, and security of person", Aprindo participate helping victims on natural disaster. Assisted areas one this year in disaster relief, such as, Lombok, Yogyakarta, Padang, Palu, Donggala, and Sigi. Aprindo do the coordination to all members to make a donation to the people of those territories.

Labour

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 labour;

Principle 5: the effective abolition of child labour; and

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

As the Organization upon which the Government acknowledged, Aprindo is responsible for always doing the evaluation every year. Aprindo always carries out an extraordinary National Congress to get the aspirations of any Member, also in order to improve the performance of the Association.

Aprindo also has a commitment not to use of child labour. We always urge every Member of hiring employees with certain standards in accordance with the provisions of the Ministry of Manpower and Transmigration.

Aprindo works closely with the Ministry of labor and the Ministry of Trade in the carrying out of training for the existing workforce in companies through the LSP members (professional certification Institutions) in the field of retail. All members can be trained professionally so it can work optimally.

In addition, the Agency has its own official Aprindo to train the workforce in professional, namely the LDP. LDP APRINDO RETAIL education and training institutions are Indonesia Retails under APRINDO managed professionally to provide competency-based training based on SKKNI retail. The LDP aims to educate retail energy and scored a confident professional, communicative, detail, dress rehearsal, innovative, technology-oriented and sales. Human resources belonged to the LDP APRINDO is human resources training series has followed both through collaboration with various government agencies or internal training in cooperation with BNSP.

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.

On June 5th, commemorated as the day of the living environment of the world. This year the theme of the environment of a day is "control the plastic garbage." The program was gagged by The State Minister for The Environment Republic Indonesia. Countries in the world including Indonesia are also beating along with difficult uncompromising garbage and threatening the environment. To support the SDG's no.5, climate action, we joined in this movement. Aprindo as the container of the whole retail company brought the entire group to reduce plastic as the shopping bag. Moreover, to support this program, the plastic garbage we use are made of biodegradable and vegetable. The program is still in the planning, but we committed to supporting "control the plastic garbage."

Anti-Corruption

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

Aprindo is urging all members to carry out Good Corporate Governance (GCG). Basically, Good Corporate Governance has three key pillars; the nation and its instruments as regulator; the business world as the supplier of goods and services as well as market participants; and society as a user of goods and as affected parties that can show concern and exercise control objectively. The three pillars will create a conducive business situation and market trust.

Aprindo as an official association trusted by the government has to maintain trust with stakeholders. We don't tolerate any corruption in every area of business. We'll give punishment to all members who do the practice. Moreover, efforts to apply GCG practices is one of the ways we prevent corruption practices.

Part III. Measurement Outcomes

Expertise provided by your organization to further the aims of Global Compact Local Network in your Country

- Aprindo collaborates with the Government to advance the economy of Indonesia
- Aprindo committed to doing humanitarian action in case of natural disasters
- Aprindo have Professional Certification Institutions (LDP) to improve the quality of labor in Indonesia
- Aprindo also has a commitment not to use of child labour
- Aprindo helps to provide jobs to the community
- Aprondo apply GCG to all members
- Chairman of Aprindo are often featured in national and international events as a speaker to give a briefing on how to build a business and innovate in the modern era