



# **PT. PANGANSARI UTAMA UN GLOBAL COMPACT COMMUNICATION ON PROGRESS 2018**





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# From our Director

PT. PANGANSARI UTAMA (PSU) was founded in 1975, in association with Greatways Group of Companies that operated extensively throughout South East Asia. This group of Companies was involved in Restaurants, Bars, Coffee Shops, Supermarkets, Bakeries, Offshore Services, Food Supply, Industrial Catering and Remote Site Support Services.

Firstly, between 1976 and 1979, PSU started to develop its Food Supply activities for PT. Pertamina at the Bontang LNG plant in Indonesia. In 1980, when the government issued a Presidential Decree No. 14A concerning Procurement and Distribution of Products PSU has further constructed a complete set of Cold Storage and Warehousing Facilities in Balikpapan to cope up with wide range of services to the Clients throughout East Kalimantan including Hotels, Restaurants, Commissaries and Remote Construction Sites.

During 1981, PSU enlarged its scope of activities into Industrial Catering and Total Remote Site Support Services for Projects throughout Indonesia ranging from Aceh to Papua. Soon thereafter, In response to client needs, PSU further turned out leading to the construction of complete cold storage, freezer and warehousing facilities in Jakarta, Surabaya, and Balikpapan. Each project presented its own unique challenges and required its own tailored solution.

PSU then developed its professional expertise and modern infrastructure of supply chain that ensures excellent end product quality and choice by applying highly approved technology to track, trace and coordinate the entire distributions.

In 2011, PT. Pangansari Utama Food Resources became Holding Company of PSU.

PSU has rapidly become bigger and bigger ever since, and expanded its operations from Eastern to Western parts of Indonesia. The rapid size and complexity of PSU within the devised framework of its contractual agreements with a number of companies, variety of community including the native tribes, has compelled PSU to consider what is the impact of PSU operations to all of these stakeholders, and how to develop and maintain the sustainability of PSU among these groups. All of these parallel with the current governmental regulations whereby a corporation must put into practice a strong commitment to implement Corporate Social Responsibility (CSR) in their daily operational activities.



## Company Identity

Company Name	: PT. Pangansari Utama
Address	: Jl. Raya Poncol No. 24 Ciracas, Jakarta Timur
Country	: Indonesia
Contact Name	: Mr. Bagus Ekodanto
Contact Position	: President Director
Contact Telephone	: +62 21 871 7870
Membership Date	: 22 March 2013
No of Employees	: + 4200 employees
Sector	: Catering & Support Services

# Company Identity

## Brief Description of Nature Business

PT. Pangansari Utama (PSU) was founded in 1975. It operates as a food service and distribution company in the Asia Pacific and provides industrial, community, institutional and in-flight catering services, food processing, patisserie, manufacturing, storage and warehousing, shipping and handling, training, retail, facility management, maintenance, and remote site support services .

PSU primarily serves catering and housekeeping services for the oil and gas and mining companies, hospitals, airports, international schools, and also factories in Indonesia. PSU's head office is in Jakarta with the branch offices spreading out from the west to the east parts of Indonesia such as at Palembang, Pekanbaru, Batam, Surabaya, Balikpapan, Makassar, Timika, Sorong, and Tembagapura; while the overseas services include Singapore and Luanda, Angola. It operates with its current work forces comprising of 4,300 employees. President Director and Chief Operating Officer (COO) controls the whole operation.

PSU has operational changes during the last one year in terms of the structure of PSU since the addition of one of Director as Managing Director who control all operational matter in PSU and change of Company Head Office. For other changes in terms of the size, structure and ownership of PSU, there is no significant changes.



# Company Identity



## Vision

“To be the leading Food Resources Solutions Company in the World”

## Mission

To do our best in the company's core business by providing a totally reliable service in the Food Business, Manufacturing Products, Supplies Consolidation, Trading, Retailing, Camp, Contract Catering Services and other related Hospitality Support Services.

## Values

Our Corporate Values represent the slogan “**DEIISY**”:

- **D**edication
- **E**xcellent Service
- **I**nnovative
- **I**ntegrity
- **S**Ynergy

# 10 UNGC Principles

**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.

**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.



**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.

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

# 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.

Our support and respect to the International declaration of Human right has been our commitment since years ago as the implementation of our social responsibility. Internally, we facilitate our employee with, working safety environment, health insurance, and freedom in belief of such religion. Externally, we do provide customer care program to support customer satisfaction and gave quickly feed-backed when arise complaints, both for our products and services.

PSU have to make sure that everyone in this company has contribution to the success of company target achievement with no any discrimination. We ensure that there is no employee in the work place under intimidation and threaten in expressing their ideas.

## **Outcomes:**

- PSU provides Musholla for Muslim employees to represent our commitment on supporting the freedom in belief of such religion and also provides a meeting room for Christian Prayer Community every Friday
- PSU has a refreshment corner for employee that provides coffee and tea to refresh their mind after or during working.
- PSU Provides a Nursery Room for breast-feeding Mother
- PSU provides sport facilities and instructor for Employee's health



# Human Rights



Refreshment Area, Praying Room, Nursery

# Work Environment

**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.

PSU in doing business recognizes and respects the human rights. The human rights basically concerned with equality and fairness, freedom of choice, living a life free from fear, harassment, or discrimination, inhumane treatments, etc. All of these have made human rights to be universal.

Since 2007 PSU has encouraged its employees to respect and implement human rights in the operational work place. The human rights sessions were generally given to all level of employees regardless of their positions. PSU and its employees support and respect the protection of human rights whilst ensuring that all are not complicit in human rights abuses.

All employees regardless of their level of positions have attended numerous classes of the Socialization of Human Rights since 2007. Client company has allowed PSU to conduct the internal Socialization of Human Rights to its employees. The Socialization of Human Rights was given to make certain that PSU personnel were sufficiently knowledgeable in Human Rights and Human Rights Violations.

Employees should adhere to the CLA that consist of all employment terms and conditions to be met, and right and duties of all parties involved. This include adherence to Human Rights regulations .

# Work Environment

Each employee has a right to report any violation against the Human Rights . Subsequent to this, each supplier or contractor has its own mechanism to handle and process all violations against the human rights. Certain areas like PT Freeport Indonesia has adopted a regulation that its suppliers, contractors, and privatized companies providing products or services to them must be given a mandatory human rights induction program.. PSU FI project has sent more than 80 percent employees to attend this mandatory sessions. No incidents of discrimination and corrective actions taken whatsoever being reported involving PSU employees in the past .

PSU received no complaints of Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights , nor they are reported as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor and/ or identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor . PSU itself strongly restricts child labor in its operation.

PSU will consider about sending its security personnel to be trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations .

PSU received no reports of incidents/ violations involving right of indigenous people and actions taken , nor any operation sites that have been subject to human rights reviews and/or impact assessments , and/or grievances related to human rights filed, addressed and resolved through formal grievance mechanisms .

Future Target: In 2019, PSU maintain this policy to remain the same

PSU encourage the employees to bound with anykind of bounding activity due to implement equality within workplace.

## Outcomes:

- PSU staffs enjoy the potluck together at least once by two months
- Management PSU always celebrate employee's birthday every month and hold a farewell party for employee has in retirement period
- Our employee relationship increases, they have a better communication with one other
- No boundaries between employees and the management team

# Work Environment



**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.

**To encourage employee to have a healthy life, PSU holds a wellness program every months.**

**Outcomes:**

Every employee had the chance to join this wellness program

# Internal Communication



**PSU opens the communication between employee/internal through some communication programs to address their aspirations to management and vice versa. Some of the programs are:**

- Management Review Meeting and annual meeting at the end of the business year, attended by all department head to recognize the achievers and communicate company's quality target, customer survey and internal audit result.
- Internal and External Training (Hard & Soft Skill) The Training is a monthly class for employee to sharpen their knowledge or help their productivity and services
- Budget and Work Program Meeting  
Hold in the end of the year to discuss the budget for qualitative and quantitative program in the upcoming year
- Coordination Meeting  
PSU's Board of Director s invite all General Managers and Managers every month to discuss the company operational
- Outcomes:  
Management Review Meeting:
  - Effective to communicate the quality target and customer's satisfaction
  - Inspire all employees to improve the quality continuously



# Community Service

As our commitment to corporate social responsibilities, PSU make some social activities per year.



Socialization of Food Safety at Petrosea Project - Sorong, Papua





# Community Service



Fostering Local Farmer at PAPUA



Hydroponic Project support local supplier Timika



Social activities to Orphanage at Mimika, PAPUA PT.

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As our commitment to corporate social responsibilities, PSU make some social activities per year.

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# Community Service



Supporting the local government for 1 set personal computer and Printer at Ciracas Village, residential environment near Head Office Jakarta . 29 Oktober 2018



Donating for Orphanage at surround environment of Head Office Jakarta - Ramadhan Season 2018



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As our commitment to corporate social responsibilities, PSU make some social activities per year.

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# Community Service



PSU has a cooperation agreement with PT. Biomagg Indonesia, it is concluded that the company handles and utilizes our facilities damaged organic waste / Frozen Goods professionally and there is no indication of abuse of the damaged product delivered.

On November 7, 2018 the delivery of our frozen goods was damaged / expired stock to PT Biomagg Indonesia to be destroyed / processed in accordance with the process that took place at PT Biomagg Indonesia.

Until present, our organic wastes are collected by PT. Biomagg Indonesia.



# Community Service



Bazaar Ramadhan of our product to people surround office Area - Jakarta

“

As our commitment to corporate social responsibilities, PSU make some social activities per year.

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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 labour;

**Principle 5:** the effective abolition of child labour; and

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

## **Combined training program with local Vocational High School.**

Receiving students on vocational high school level to do “field practice” for three months. This program is yearly basis, and PT. PSU is receiving students from two school with their major of study “culinary arts” and “department office”.

## **The Effective Abolition Of Child Labor**

We do strongly committed against child labor with minimum age is over 18 years old and we apply such standard of employment based on company rules.

## **Avoid the Discrimination In Related with Employment And Occupation**

The discrimination relates to treating employee differently based on an unfair or unsubstantiated category such as race, nationality, gender or religious affiliations in recruitment, promotion, training and career development. We provide fair opportunity to all employees to get higher salary improvement based on individual achievement and performance appraisal. Personal evaluation is done independently by other employees at the same level who close relate in the work place. Promotion procedures are based on personal performance which evaluated by direct superior, head of department and human resources department. It is, therefore, different person get different amount or percentage of salary improvement annually.

# 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.

- In water usage we are targeting to reduce 10% in compare to last year.
- Encourage the use of reused paper and print any documentation wisely.
- Supporting PT. Freeport Indonesia (Environmental Department) on providing the used cooking oil to be proceed and produced as fuel. This as an action which combining other company to achieve one of the principles of UN Global Compact in environment areas.
- In diesel fuel usage for power generator in our Balikpapan Branch office, we have reduced 50% consumption in compare to last year, with programs :
  - Generator activities scheduling
  - To provide proper product which is use less power to storage



# Anti Corruption



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

We have committed and agreed with this principle and will not tolerate any kind of corruption in our personal life as well as business activity. We do not practice the bribery as well as corruption which do not allow in our business and personal life activities.

# Activities in Indonesia Global Compact Network



We are pleased to confirm that PT. PSU reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this IGCN Event, our representative, named is Mr. Ruben Sembiring has been a speaker for a topic is Understanding Workers' Rights in Supply Chain at August 31, 2018.



**Thank You**