

UN GLOBAL COMPACT COMMUNICATION ON PROGRESS

2020

Head Office: Jl. Raya Poncol No. 24 Ciracas Jakarta 13740 - Indonesia

 www.pangansari.com  021 871 7870  [pangansari.utama](https://www.instagram.com/pangansari.utama)  [@CPangansari](https://twitter.com/CPangansari)  [Pangansari UtamaGroup](https://www.facebook.com/PangansariUtamaGroup)

Report Content



From Our Director



Company Identity



PT. Pangansari Profile



Our Statement of Continued Support Toward UN Global Compact



Implementation of UNGC Principles

- Human Rights
- Labor Standard
- Environment
- Anti – Corruption

01

From
Our Director



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.

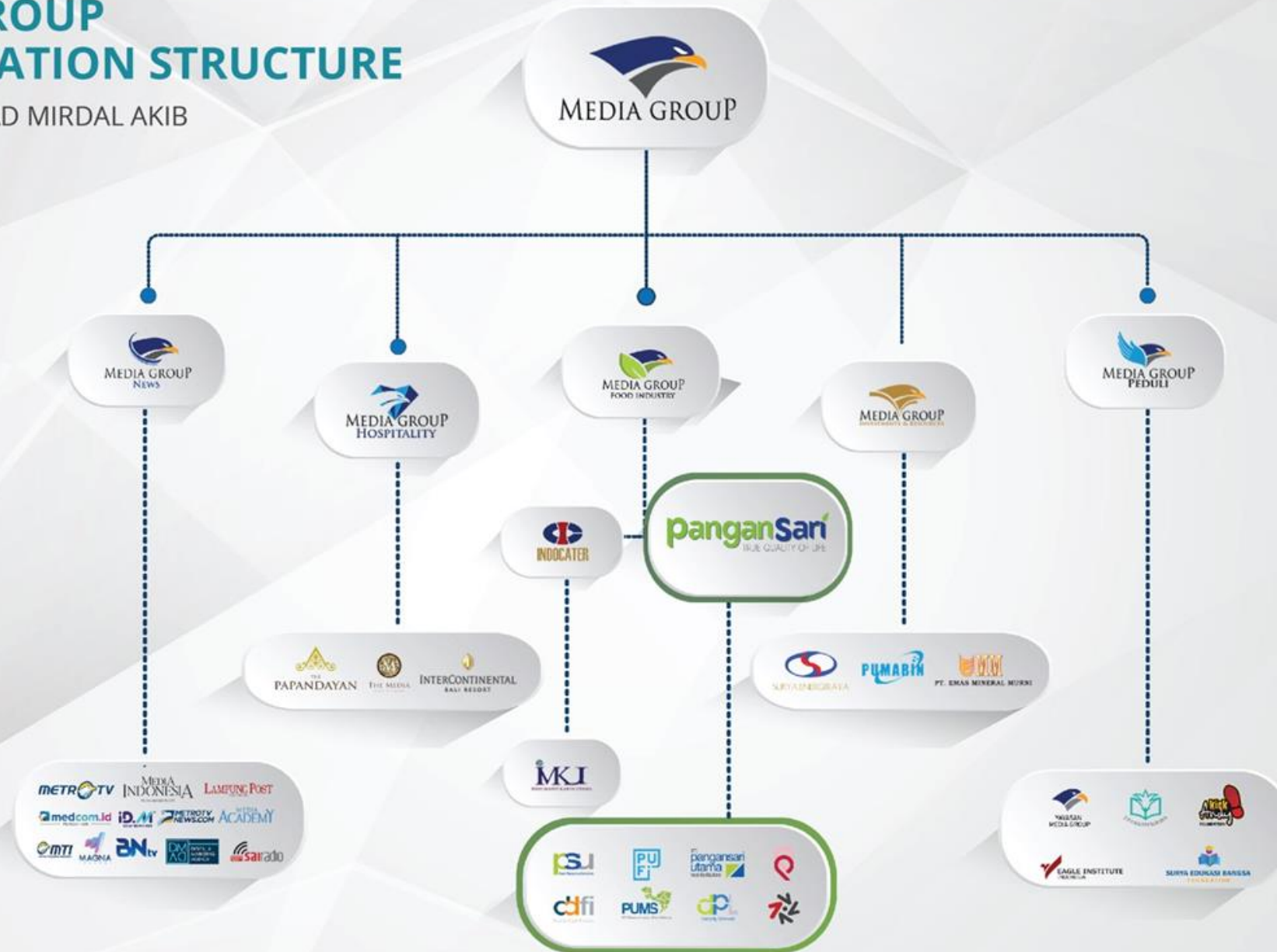
PSU then developed its professional expertise and modern infrastructure of supply chain that ensures excellent end product quality and choice by applying highly approved technology to track, trace and coordinate the entire distributions.

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.

MEDIA GROUP ORGANIZATION STRUCTURE

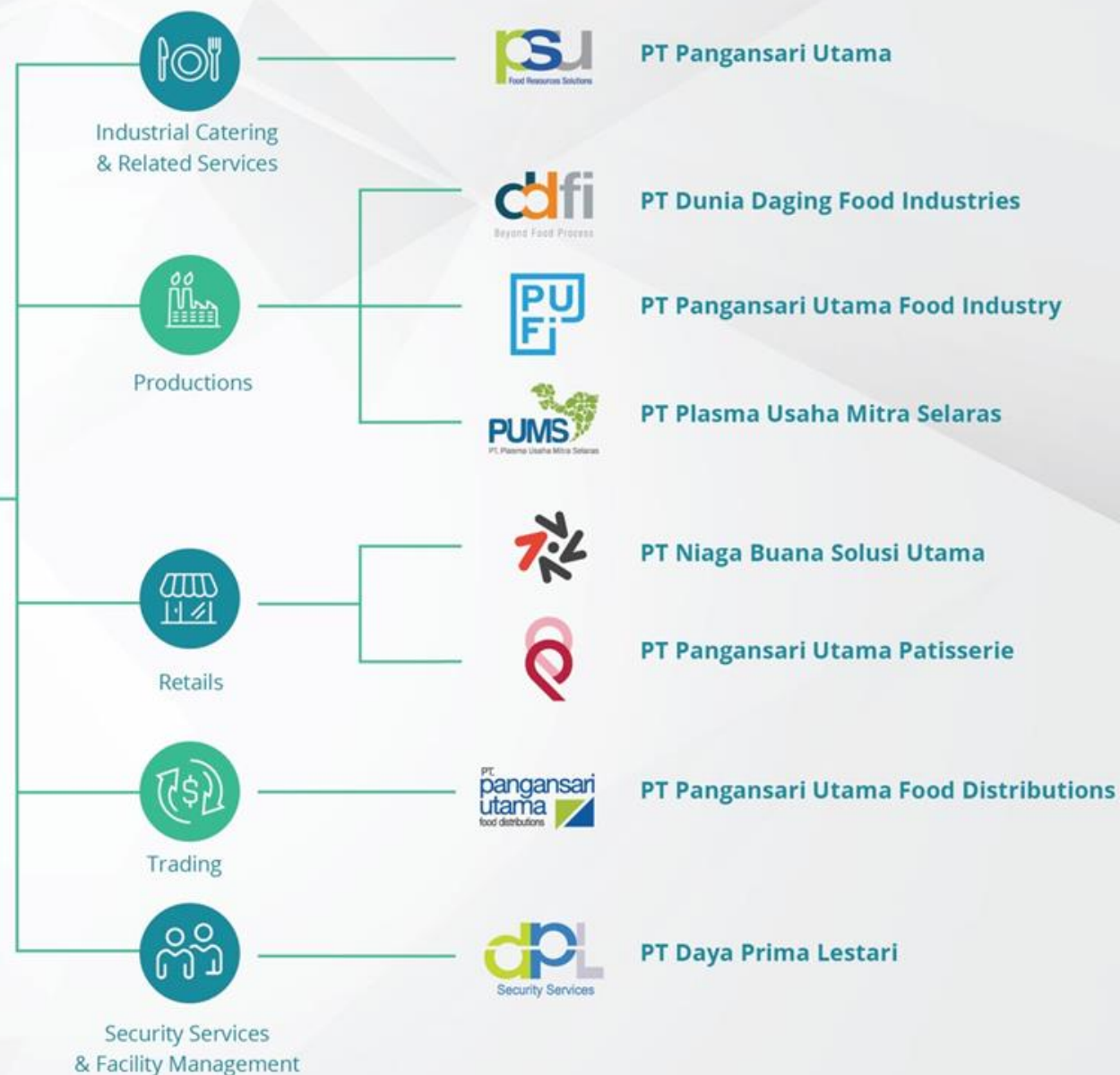
CEO: MOHAMMAD MIRDAL AKIB



Pangansari **Business** **Structure**

panganSari
TRUE QUALITY OF LIFE

PT Pangansari Utama
Food Resources



02

| **Company**
Identity

Company Identity

Company Name	: PT. Pangansari Utama
Address	: Jl. Raya Poncol No. 24 Ciracas Jakarta Timur
Country	: Indonesia

Contact Name	: Mr. Maghfur Lasah
Contact Position	: President Director

Contact Telephone	: +62 21 871 7870
Membership Date	: 22 March 2013

No of Employees	: + 4200 employees
Sector	: Catering & Support Services

03

PT. Pangansari Utama Profile



Our Profile

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, Surabaya, Balikpapan, Makassar, Timika, Sorong, and Tembagapura; while the overseas services include South East Region. It operates with it's current work forces comprising of employees 4,200 employees.

PSU has operational changes during the last one year in terms of the structure of PSU since the addition of one of Director as President Director as a Top Management in PSU and several Management to strengthen the operational of company.



Our Profile

Vision, Mission,
and Values

Vision

"To be the leading Food Resources Solutions Company with the World Class Capabilities"

Mission

"To excell operation of Company's core business by providing a totally reliable service in the Catering Industry, Food Distribution, Manufacturing Product, Supplies Consolidation, Retailing, Camps, Integrated Housekeeping, related Hospitality and other Facility Management Support Services".

Values

Our Corporate Values represent the slogan "DEIISY":

- Dedication
- Excellent Service
- Innovative
- Integrity
- SYnergy

04

**Our Statement
of Continued
Support Toward
UN Global Compact**



Our Support Toward UN Global Compact

We are pleased to confirm that Pangansari Utama reaffirms its support of the United Global Compact and its Ten Principles of the UN Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this Annual Communication on Progress, we describe our actions to continually improve the integration of the UN Global Compact and its principles into our business strategy, culture and daily operations. We are also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Maghfur Lasah
President Director

05

Implementation of UNGC Principles

The Ten Principles of the UN Global Compact

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 Right

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
- Management provide one package of basic food subsidies and affordable for each employee per month

Human Right

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 . (GC HR1)

Human Right

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.

As we are aware of this Pandemic outbreak of Covid-19, Pangansari has the precautions to be taken by all employee in order to protect themselves and others around them. To prevent the spread of COVID-19:

- Provide the sanitary/disinfectant booths and hand sanitizers
- Provide the touchless hand washing facilities at several points
- Check body temperature to all people who enter the office area
- Execute the disinfection spraying in all over office area regularly
- Execute the schedule of Working from Home
- Provide a shuttle vehicle to employee who taking a public transportation
- Provide a daily meal box to employee to avoid having lunch outside of the office area
- Give a vitamin to all employee routinely
- Execute the PCR Swab Test to all employee for free

Human Right

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.



➤ Human Right

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.



Human Right

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.

Each employee has a right to report any violation against the Human Rights (GC HR2). 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 (GC HR3). 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 (GC HR4).

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 (GC HR5), 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 (GC HR6) and/ or identified as having significant risk for incidents of forced or compulsory labor (GC HR7), 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 (GC HR8).

PSU received no reports of incidents/ violations involving right of indigenous people and actions taken (GC HR9), nor any operation sites that have been subject to human rights reviews and/or impact assessments (GC HR10), and/or grievances related to human rights filed, addressed and resolved through formal grievance mechanisms (GC HR11).

Future Target:

In 2021, PSU maintain this policy to remain the same

➤ 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 month.

Outcomes:

Every employee had the chance to join this wellness program

To encourage employee to have a caring with other people, PSU holds a blood donation, cooperate with PMI (Indonesian Red Cross Society)

Outcomes:

In this pandemic situation, every employee had the chance to donate their blood once in six months.



➤ 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. (GC HR5)

- **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. (GC HR6)□



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

An 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 Directors invite all General Managers and Managers every month to discuss the company operational

Outcomes:

During pandemic, we do the virtual meeting and limited person for a face to face meeting

Community Service

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



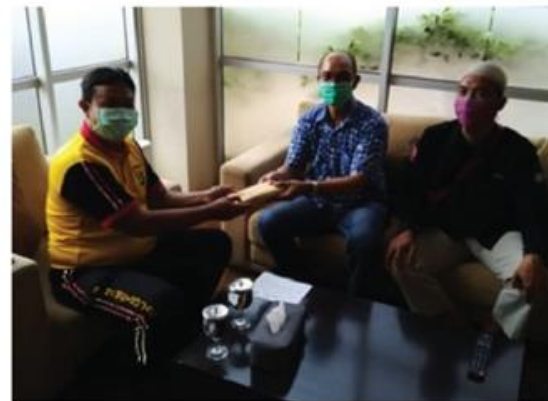
16 January 2020

Donation to employee who affected by the flood



1 April 2020

Donation of painting of concrete fences at ciracas area and water machine



1 May 2020

Donation of basic food package at Pasar Rebo police sector



29 July 2020

Idul Adha Donation to local community

Community Service

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



Donating for 450 Orphanage at surround environment of Head Office Jakarta – Pangansari 45th Anniversary

Community Service

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



23 June 2020

Donation of 60 used jerry cans to ciracas sub-district



23 February 2021

Donation of 2 Drilling Machine mayor of East Jakarta



12 January 2021

Donation of Desinfectan and Mask to East Jakarta Sub-District

Community Service

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



11 June 2020

Cooking Training Collaboration with The Industry, Trade, Cooperatives, Small and Medium Enterprise Office of Administrative City of East Jakarta And Jakpreneur

➤ Awards



Receiving The Upakarti Award is an award of achievements, are meritorious, and are active in developing and / or empowering small and medium industries from Ministry of Industry Republic of Indonesia

10 December 2020

Receiving the best Industrial Catering & Food Distributor Company of the Year

19 February 2021

Community Service

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



PT. Biomagg Indonesia collected the special food waste to be processed by Maggot BSF (Black Soldier Flies) since 2019 consist of frozen chicken and meat which is expired and rotten, besides they collect our food waste from Central Kitchen daily.

Utilization of results :

Maggot after harvesting is then used as animal feed. PT Biomagg Indonesia utilizes maggot to feed catfish and poultry (ducks and chickens). Meanwhile, organic waste from maggot decomposition is used for organic garden fertilizer which is located behind the BSF cultivation area.



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
- PT Pangansari Utama has carried out segregation of inorganic waste generated from activities and also organic waste from employee lunches and meals inside of office building, outside of office building and in Central Kitchen in that area.



Environment

Principle 7

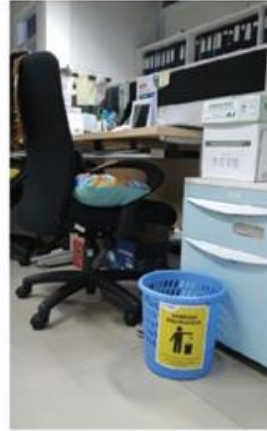
Businesses should support a precautionary approach to environmental challenges;

Principle 8

undertake initiatives to promote greater environmental responsibility; and

Principle 9

encourage the development and diffusion of environmentally friendly technologies.



Inside of Office Building



In Central Kitchen



Outside of Office Building

Environment



Timika, 1st March 2021

PT PUMS cooperated with State Electricity Enterprise (PLN) of power additional to support the program Electrifying Agriculture

➤ 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. (GC AC10)

Pangansari has a commitment of Anti Corruption which is stated in Pangansari Code of conduct & Company regulation.





panganSari
TRUE QUALITY OF LIFE



www.pangansari.id



021 871 7870



[pangansari.utama](https://www.instagram.com/pangansari.utama)



[@CPangansari](https://twitter.com/CPangansari)



[Pangansari UtamaGroup](https://www.facebook.com/PangansariUtamaGroup)