

PT AICÓN GLOBAL INDONESIA
Communication on Progress 2021
Submitted to UN Global Compact



PT Aicón Global Indonesia
#1607 Splendor Tower, SOHO Pancoran
Jl. MT Haryono Kav 2-3, Tebet Barat, Jakarta Selatan, 12810
Telp. / Facs.: +62 21 5010 1504 E-mail: office@aicon.co.id. Website: www.aicon.co.id

INTRODUCTION

About This Report

This report acts as a stand-alone Communication on Progress (COP) document presented to the United Nations Global Compact (UNGC) by PT Aicón Global Indonesia (Aicón). The report details Aicón's attempts to incorporate the UNGC's Ten Principles into its operational actions from January 1, 2021 to December 31, 2021.

Report Content

This report is divided into two sections:

- Section 1:** The CEO's statement, an introduction to Aicón, and the company's cooperation with the United Nations Sustainable Development Goals (SDGs)
- Section 2:** Discussions on the applicability of the United Nations General Assembly's Ten Principles to human rights, labor, the environment, and anti-corruption issues

Aicón is a consultancy firm with no significant involvement in environmental concerns. However, Aicón reports in this COP many actions aimed to mitigate environmental consequences within the scope of its commercial operations.

Transparency

Aicón is a limited-liability corporation that does not publish a sustainability report or employ an impartial third party to examine its COP



SECTION 1

The CEO's statement – *expressing continuing support for the UN Global Compact and reaffirming the Company's ongoing commitment to its programs and principles*

To our stakeholders,

I am delighted to inform that PT Aicón Global Indonesia continues to embrace the UN Global Compact's Ten Principles in the areas of human rights, labor, the environment, and anti-corruption.

We outline our activities to constantly enhance the integration of the UNGC and its principles into our company strategy, culture, and daily operations in our yearly Communication on Progress (COP) paper.

We also pledge to communicate this information with our stakeholders via our major communication channels.

Sincerely yours,



AICÓN

DR. Semerdanta Pusaka

CEO, PT Aicón Global Indonesia

SECTION 2

About Aicón

PT Aicón Global Indonesia is a consultancy firm based in Indonesia that assists companies and/or other organizations in incorporating sustainability concepts, principles, and best practices into their business processes and operations. Aicón was founded in October 2010 and offers a range of services, including social mapping, training and workshop creation, consultancy, corporate reporting development, research, strategy development, program evaluation, sustainable finance, blueprint corporate social responsibility (sustainability strategy, sustainability policies, roadmap), ISO 26000, social return on investment (SROI), FGD Stakeholder, and social impact assessment. Aicón is headquartered in Jakarta and serves state-owned firms, big national corporations, and international organizations in various industrial sectors, including oil and gas, pharmaceuticals, cement, construction, telecommunications, palm oil plantations, banking, and mining.

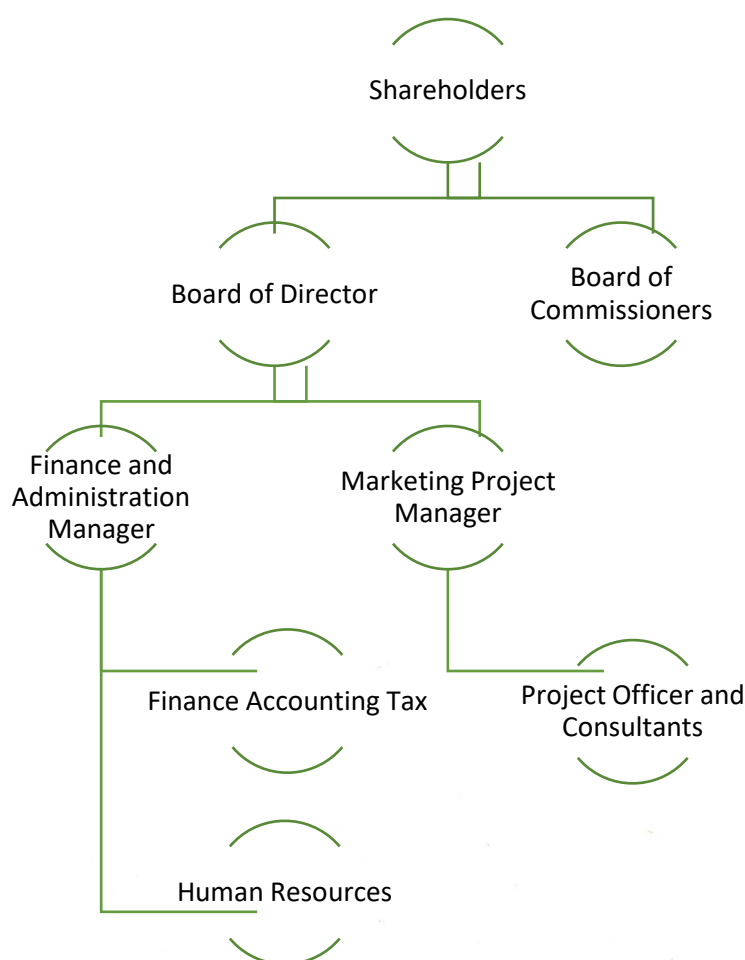


Figure 1. Organization Structure

Aicón's organizational structure is incredibly lean, with no more than twelve workers as of October 2021. The CEO is a member of the Board of Directors, which is the highest level of governance body where collective decision-making is used.

Aicón and Sustainable Development Goals (SDGs)

Aicón is committed to the SDGs and aids clients in comprehending and aligning their business processes with the SDGs. Aicón has facilitated SDG mapping and capacity development efforts, as well as strengthened the network of stakeholders and methods of implementation in numerous organizations.

Implementing the Ten Principles

Aicón has policies guiding the company's adoption of the Ten Principles of UNGC's four pillars. Each department is accountable for implementing sustainability principles on a daily basis and reports directly to the CEO. Individuals at Aicón are responsible for ensuring that company actions adhere to sustainability obligations. Individuals in Aicón are also encouraged to interact with other internal departments and external stakeholders, such as business partners, consumers, and organizations, to guarantee compliance with the UNGC's Ten Principles.

Aicón's value chain is short, including independent consultants, freelance authors, project-based graphic designers, and expert translators. Aicón communicates company rules and expectations to business partners, requiring them to uphold Aicón's corporate principles and the UNGC's Ten Principles.

To assess its success, Aicón conducts quarterly assessments of its application of the UNGC's Ten Principles and publishes a COP document to convey its accomplishments and problems to stakeholders.

Human Rights Management Policy and Procedure

"In the last three years (2019-2021), the number of human rights incidents reported, solved, or carried over to the next period was '0' (zero) in Aicón."

Aicón is dedicated to upholding both the Indonesian Human Rights Law and the Universal Declaration of Human Rights. The Human Rights Policy of Aicón acts as the operational guidelines for ensuring that the company's commercial actions do not have a detrimental effect on human rights or stakeholders. All employees at Aicón, including Directors, are required to adhere to the firm's Human Rights Policy. It is a requirement that each employee respect the rights of others in the company and community, as well as the rights of other stakeholders.

The Human Rights Policy is posted on the office wall, and management sends periodic reminders about the policy through email or another form of social media contact. Additionally, the CEO communicates to staff Aicón's commitment to human rights at internal gatherings or events.

Human rights performance is often one of the issues discussed at the Board of Directors' annual meeting with shareholders. The goal is to guarantee that internationally recognized human rights are upheld consistently. A person who has been a victim of a human rights violation in Aicón may file a complaint with the city's grievance process. A victim or witness of a human rights event, both internal and external, may report directly to the Board of Directors or the Board of Commissioners through email or telephone. The Directors or Commissioners will reply immediately to the report. It depends on the severity of the consequences, the nature of the occurrences, and the amount of participation required for repair.

Labour Management Policy and Procedure

"In the previous three years (2019-2021), there were no important work events or employee complaints recorded, resolved, or carried over to the following period in Aicón."

As a consulting firm, personnel is a vital component of Aicón's success. Employees are required to adhere to Aicón's labor policy as a guide for ethical behavior in the workplace. Additionally, new workers are encouraged to learn labor laws and principles, and discussions with directors on labor principles are often scheduled as part of staff's internal awareness raising and capacity development. Aicón issued its Company Employment Laws in 2019 in accordance with Indonesian labor law regulations. Additionally, the paper takes into account international labor rules and principles.

Aicón's labor policy as a whole entails treating people fairly and without discrimination, respecting collective bargaining and association, ensuring workplace health and safety, providing social protection, paying salaries and wages in accordance with applicable regulations, and avoiding child labor and forced labor. Additionally, Aicón guarantees equitable employment opportunities for its workers. Rewards and promotions are determined based on merit.

Any employee or a third party may utilize a grievance system to submit a labor issue or industrial disagreement directly to the Directors, Commissioners, or Shareholders by email or telephone. The Board of Directors or Commissioners have the authority to resolve cases or employment issues in accordance with Indonesian labor law or international labor norms and principles. External authorities may be consulted if necessary to resolve industrial conflicts.

Daily contact with all company members is conducted, while formal discourse with workers occurs two to three times a year. Typically, the forum examines the status of efforts, present performance, and future objectives.

Environmental Management Policy and Procedure

"As part of the leadership review process for monitoring and improving environmental performance, the Directors often bring the topic up in quarterly top management meetings."

Aicón's Environmental Policy emphasizes various concerns, including energy and water conservation, solid waste management, public transit use to minimize carbon emissions, air conditioner efficiency, and environmental stewardship at the workplace and in customers' operations locations. Additionally, Aicón provides a grievance procedure via which an employee or a third party may report environmental issues to the Directors, Commissioners, or Shareholders by email or telephone. The Board of Directors or Commissioners have the authority to resolve matters in accordance with applicable environmental rules.

Internal awareness-raising activities about environmental effects were conducted via meetings with Directors. To date, the firm has not provided environmental training to its staff due to the low environmental effect of its primary activities. However, the Directors often bring up environmental performance at quarterly senior management meetings and staff meetings. This is part of the leaders' evaluation of the monitoring and improvement of the company's environmental performance.

Anti-Corruption Management Policies and Procedure

"There were no real or prospective instances of corruption recorded, resolved, or carried over to the next term."

All employees, including directors, at Aicón are required to adhere to the Anti-Corruption Policy. It demonstrates the company's commitment to complying with all applicable anti-corruption rules and avoiding possible corruption incidents. If a corruption issue occurs, an employee or a third party may report it using Aicón's grievance or whistleblower mechanisms.

Since 2016, Aicón has had anti-corruption solid leadership. In that year, a suspected corruption issue happened when a prospective customer requested project payments. As a result of the scenario, senior management quickly decided to cancel the project.

The Board of Directors, in conjunction with the Commissioners, meets quarterly to examine anti-corruption issues. This involves monitoring and reviewing the company's anti-corruption policy's execution.

Taking Action in Supporting Broader UN Goals and Issues

Aicón contributes to the stimulation of sustainable development objectives via its consultation and capacity-building efforts with businesses.

Aicón Directors are active members of IGCN and the Indonesian chapter of the International Society of Sustainability Professionals (ISSP). Aicón collaborates with the Indonesia Global Compact Network (IGCN) and supports IGCN events like trainings and seminars on a range of sustainability topics.

Sustainability Governance and Leadership

Aicón is devoted to managing both current and future effects on internal and external stakeholders, as well as the environment. The Aicón Directors, lead by the CEO, are actively involved in defining and implementing sustainability commitments.

Aicón engages stakeholders using a variety of channels, including direct meetings and talks, phone calls, brief messages, and emails. Aicón is constantly receptive to new ideas and concerns; as a result, any possible negative consequences or complaints may be discovered and handled early on.

Contribution Aicón and Sustainable Development Goals (SDGs)

In Aicón's activities, the priority SDGs that Aicón committed are gender equality (SDGs 5) and promoted sustained, inclusive and sustainable economic growth, full and productive employment, and decent work (SDGs 8). The achievement of these goals was measured by qualitative measurement. As regards, gender equality to our business actions, we supported:

1. Assure sufficient participation of women in decision-making and governance at all levels and across all business areas. Women's involvement in processes of decision-making and governance in Aicón is around 4 of 5 (80%) participation of women employees in director and leaders level
2. Pay equal remuneration, including benefits, for work of equal value and strive to pay a living wage to all women and men. For this point, Aicón give an equal remuneration for all men and women employees, including
 - BPJS Kesehatan & Ketenagakerjaan (Health and Employment Assurance) for all full time employees.
 - Benchmarking "living wage" based on Jakarta living standard
 - Provide financial support and working facilities per employee's needs (such as household loan credits (KPR), laptop, wifi).

Related to promoting sustained, inclusive and sustainable economic growth, full and productive employment, and decent work. The key business actions that we supported is initiate skill development programs moving down company supply chains. Aicón provides the employees with capacity-building programs, including SR Asia Global Certified Integrated and Sustainability Reporting Program, provides training for new employees, and provide benefits for employees who want to proceed with their study.

Based on the Aicón business type, Business activities of Aicón's has an impact on the SDGs, which are:

1. Assisting our clients in identifying, determining, and implementing SDGs strategies, which is indirectly supporting client companies to achieve their SDGs targets
2. Increase public knowledge about the SDGs, apply the SDGs in their business, and achieve the SDGs targets.

CLOSING

Stakeholders seeking information regarding this COP or Aicón may contact the following individuals:

Ms. Vena Fatima Aulia
Finance and Administration Manager
Phone: +62 815 1096 9409
Email: venafa@aicon.co.id

-oOo-