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2017 PwC Indonesia Corporate Responsibility Report



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Message from Territory Senior Partner



We are proud to be a good firm, but, is it enough to be just good? We want to ensure that we are doing it right as well. Therefore, we would like to share with you this 2017 report as the commitment piece that we are committed to be good and doing it right.

At PwC we believe in being 'part of it:' part of the global conversation and movement towards responsible business practices that create positive change in the world.

On the top of our routines, we believe in value that we are delivering to our people and community. We put all the positive efforts through our Corporate Responsibility initiatives to ensure that we build trust and solve important problems. To do that, PwC Indonesia aims to go beyond just doing the right thing to catalysing change in 4 (four) focus areas: responsible business, diversity and inclusion, community engagement, and environmental stewardship.

We continue to expand our CR initiatives, looking for new ways to deliver high quality services to our clients, demonstrate responsibility to our employees, support our communities and reduce our environmental impact.

This is a legacy that we are creating for the future. We appreciate our people in this legacy making. We will keep up the good work and keep doing it right toward the positive change.

Irhoan Tanudiredja
Territory Senior Partner

About *PwC Indonesia*

Annual Global CEO Survey

Every year since 2013, PwC conducts a Global CEO Survey covering nearly 1,500 top executives, including CEOs in Indonesia. This project is aimed at identifying the key trends and patterns in the global economy that affect critical management decision-making by leaders of the business and political establishment. Our respondents answer questions on the state of the business environment and sentiment within the business community. Businesspeople are asked to assess the quality of government performance and share their short-term plans.



PwC Indonesia ('PwC' or 'We') is part of global network and part of Asia Pacific region. We comprise over



52

partners

Our services are rendered through separate legal entities focusing on:

Assurance	Tax
Advisory	Consulting

Our multi-disciplinary approach allows us to provide services beyond the audit and taxation lines we are known for. We take pride in delivering value-added services by helping our clients improve transparency, governance, accountability, and financial performance and return.





6,400.3

*number of hours
spent in community
activities*

10

*number of
pro bono projects*



Rp 252,134,545

spent in donations and community activities



392

*number of
people involved
in community
activities*

Community





1,907

*number of flights
travelled during the year and*

10,166,030 km

in distance

*where **70%** of them are in the
long-haul category.*

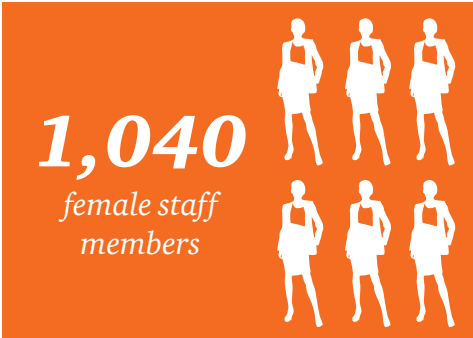
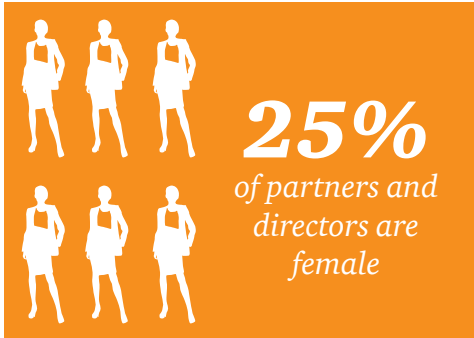
2

*average number of
people on each flight*

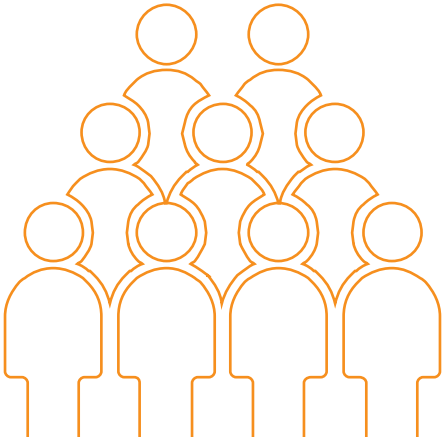


Environment





People





***We
consistently
provide equal
opportunity
for our female
talents to
climb up the
leadership
ladder***

*Margie Margaret
Diversity & Inclusion Leader*



Global CR Strategy

We believe in PwC Purpose where we build trust and solve important problems, being part of it: the global conversation and movement towards responsible business practices that create positive change in the world. This means we aim to use our core skills and activities as a business while acknowledging the need to also address corporate responsibility issues in our own business.

Through this network-wide agenda and our local activities, we can be part of the solution to global challenges in two ways: we aim to be a catalyst for change, and do the right thing.

Our network-wide and local corporate responsibility framework focuses on four areas: Responsible business, Diversity and inclusion, Community engagement, and Environmental stewardship.

Our Strategy

Clear aims and focus areas give us a shared direction across the Network, with local firms defining initiatives within this framework that best meet the needs of their clients, their people and their local communities.

We aim to



*Do the right
thing and be
a catalyst for
change*

part of it

*PwC is part of solution to
responsible business
challenges*



- Responsible business
- Diversity & inclusion
- Community engagement
- Environmental stewardship

We focus on



*Our
leadership
ladders*

We manage CR using:

Local Implementation

Corporate Responsibility (CR) in Indonesia is built around the principle that it needs to be embedded in our culture and everyday behaviour. It is key to delivering a distinctive experience by enhancing the quality of the relationships our people create with each other, our clients and communities at large.

***CR is not adjunct
to our regular
business.***

It is fundamental to achieving impact in the marketplace and needs to be closely connected to our client service

Our Policy

We involve our people to be socially responsible by granting 2 (two) working days for our people to utilise it with the community around PwC.

The development of PwC's CR initiatives varies from one territory to another. In addition to our core global community themes of education and capacity building, we also strongly focus on giving back to the community. Our strategy involves giving first priority to local initiatives of relevance and on a selective basis take part in PwC's global initiatives.

The selection of initiatives in Indonesia are based on how well they fit with the core global focus areas and if they follow the criteria below:

1. Engage our people and/or clients

2. Preference for skilled volunteering, that is, using the talent and skills of our people for the benefit of the community

3. Set us apart from our competitors

4. Have a positive impact on the communities in which we live and work

5. Have relevance in Indonesia culture & nationalism

“PwC grants 2 working days to our people for activities with community”

Djohan Pinnarwan
Corporate Responsibility Leader

CR Governance

PwC is a global network of separate firms, owned and operating locally in countries around the world.

This structure provides PwC firms with the flexibility to operate simultaneously as the most local and the most global of businesses. Corporate responsibility at PwC is similarly governed at global and local levels and it runs right to the top of local and network leadership.

At the network level it is led by the Global Corporate Responsibility Board (GCRB).

The GCRB comprises leaders from our largest PwC member firms, regional corporate responsibility leaders and sustainability subject matters experts. In keeping with best practice, the board also includes an external independent advisor. The board meets bi-annually to provide governance, oversight, input and direction to PwC's corporate responsibility global strategy in alignment with the overall business strategy and to be the forum for alignment across our network.



Responsibility for local corporate responsibility ultimately rests with each Territory Senior Partner together with the Corporate Responsibility Leader.

Our People Say on CR

68%

“PwC drives positive societal change through the work we do every day.”

70%

“PwC drives positive societal change through our community initiatives.”

67%

“PwC drives positive societal change through our environmental initiatives.”



Responsible Business

We create value for business and our communities in the areas of ethics, integrity and trust, and by using our core skills to help address issues central to fostering a sustainable business.

Conducting Professional Services

Code of Conduct

We ensure that all of our people fully understand our standard code of conduct in performing their job professionally and ethically. The code of conduct defines how we do in a wide of range of settings and situations.

Client service feedback

In Eclipse e-surveys, we ask our clients to give us feedback in performance indicators. While in the Client Care Visit program, our representative, who is independent of the ongoing client relationship and the senior client staff have a face-to-face meeting.

Facilitating Better Governance

Risk and quality governance

We ensure that all aspects of risk, quality and independence are embedded as part of the culture of the firm and the minds of our people.

Client and engagement acceptance

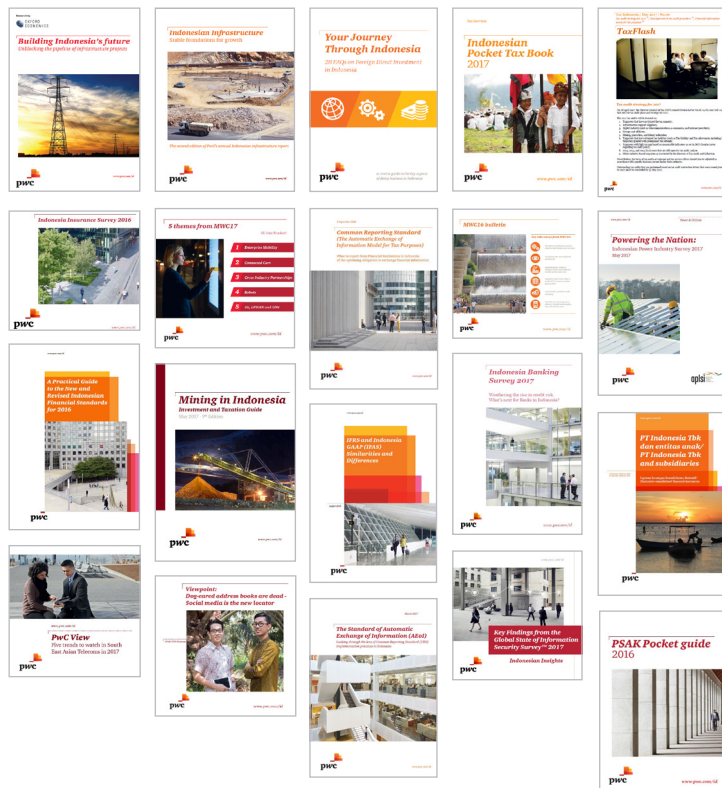
This process is intended to identify and manage any client and/or engagements which may pose a risk to our reputation for integrity and responsibility.

Regulation Socialisation

Tax Amnesty Seminar

Being a responsible business, we are obligated to socialise the new regulation applied to ensure that our client is following our government regulation properly. The event is held periodically in a breakfast format. One of the most talked about is Tax Amnesty seminar. We covered an overview of the proposed law and how it may impact individuals and businesses.

Periodically we publish Thought Leadership to update current markets. Below are insights published in FY17:



and below are the 3 insights where Indonesia contributes:



PIALA PRESIDEN 2017

AWING BABAK 8 BESAR



2015 President's Cup Assurance

President Jokowi asserted that the revival of Indonesian football, total reform, reform of the national football, are options that should be taken to establish national football achievements in the future, and PwC is proud to take part in building trust and transparency as the financial auditor of President's Cup I and II (2015 and 2017).

Our audit report gives the most confidence to Indonesia people that we can still trust Indonesian football and be proud of it. Then in May 2016, FIFA president, Gianni Infantino, said that

the world governing body's council ended Indonesia's ban after saw how serious the Indonesian government reviving the Indonesian football for transparency

(one notably event is the successful President Cup) which topping up with the revocation of suspension to Indonesian Football Association. This is the best example that PwC has achieved its

purpose by building trust and solve the important problems. Moreover, PwC

was appointed to be the auditor for another soccer tournament, Sudirman Cup, initiated by Indonesia National Army (TNI), on the statement of cash flows. PwC is again be part of the solution of the important problem.

Community Engagement

In FY17, our people spent

6,400.3 hours

to make a difference in several NGOs and/or communities such as Gerakan Indonesia Mengajar Foundation, Kick Andy Foundation, The Learning Farm and Koperasi Mitra Dhuafa and some other charity partners.

The Learning Farm

TLF provides a four-months residential life-skills training programme. We have supported TLF for three years, funding their programs, and in 2010 our partner, Laksmi Djuwita, was invited to join the TLF Board of Trustees, helping to share insights and giving advice to the organizational strategy.

Regularly in each batch of TLF program, PwC shares knowledge and experience on financial literacy, customer service skill and interview experience, including CV preparation.



Koperasi Mitra Dhuafa (KOMIDA)

The PwC Village programme provides loans to women, enabling them to support their family's economy by working with a local microfinance organisation (Koperasi Mitra Dhuafa) that adopts the Grameen Bank System.



Kick Andy Foundation

PwC provides audit service on probono basis to Kick Andy Foundation. Through this partnership, Kick Andy Foundation and PwC Indonesia want to spread the virus to share to others through everyday things to do.



Blood donor

To promote a healthy lifestyle and to save others' life, we have a blood donor drive at least once in 4 months in PwC office. In a drive, we usually collect about 12,500 ml of blood from our people.



Cheap Market Event

PwC participates Cheap Market event every year as committee. It is a social event held by Tita Ferdinandus, a noble Indonesian philanthropist and her community by collecting pre-loved things to be sold with very low price. This year, we collected Rp 17 million in a day and donated the money to improve school's sanitation and support operation activities in Cisarua area.



Gerakan Indonesia Mengajar (GIM)

Many children in Indonesia's remote areas experience limited access to the good quality of education. GIM provides best graduates from top universities to serve as young teachers in those areas. PwC provides audit service on probono basis to GIM which will enable GIM to learn about and enhance its financial reporting to be more accountable and transparent.



How it feels to be blind

We invited Elsafan Foundation and Fellowship of Netra Community (Fency) to have a role play on how to be a blind. We actually learned a lot from the blinds, such as how to recognise different money bills, how to eat and drink with your eyes closed, and some other activities with our eyes closed with a blindfold.



Dilts Foundation

As part of PwC Day 2016, some of our people visited museums in Jakarta with children from Dilts Foundation to share the historical experience of Jakarta City.



Socialising Volunteer

Alzheimer Indonesia Foundation is established to create awareness on dementia symptoms since due to recent lifestyles and surrounding, dementia is exposed to younger generation as well. Some of our staff volunteered to be facilitators in creating awareness on Dementia symptoms to high school students.



Bina Mandiri Indonesia Foundation


Bina Mandiri Indonesia Foundation is a non-profit organisation that serves the poor community through early childhood education. They operate 8 kindergartens in Jakarta, and cooperating with 75 other kindergartens which cater to children from poor communities in several areas in Indonesia. PwC has been serving as Socialising Volunteer in educating children and parents for several causes such as good nutrition, how to use gadget wisely, and others.



Environmental Stewardship

***Creating greener offices
Green technology***

At PwC, we are committed to environmental stewardship because we see it as critical to the long-term success and sustainability of our business and our clients' businesses. We also view environmental stewardship as critical to our communities and to those who work within them, including our partners and staff. While we do not manufacture goods, we do a broad variety of initiatives that have wide-ranging impacts. These include: the use of technology (Webex) for meetings to minimise the greenhouse gas (GHG) emissions associated with our travel; minimizing the plastic and paper waste generated in our offices; and the effect we have on our people's daily choices, such as how to get to work. We focus on the areas where we can make the most difference, aiming to improve our performance continuously. In addition to double-sided printing and smart lighting, a number of internal business process have become digital and this 'paperless working' continues to expand into other business processes. We also only purchase those products which have been certified "green".



Earth hour – We continued to support the Earth Hour every year, a global initiative by WWF, by switching off electricity for one hour in our building on Earth Hour day.

Diversity and Inclusion

Creating opportunities for our people

A comprehensive set of training sessions is managed professionally to equip our people to perform their job by providing them the core competencies.

Coaching – Each person is assigned a coach who provides assistance and advice to promote their professional development.

Global Mobility and Opportunity – A program which brings great opportunity and benefit for our people to derive experience working and living in another country.





Aside from technical and auditing skill exposure that I get through my secondment in Houston, I learn and gain incredible experiences by expanding my network, living in diversity and learning different cultures from people around the world.

Andi Sjarif
Assurance Manager

It was my first time in Japan and I was really surprised that the language barrier did not limit me to work with PwC Japan. The PwC standardisation of audit methodology and audit understanding really helped me to easily excel and work together with the PwC Japan audit team. I really found out the true meaning of PwC as a global firm!!

Anastasia Yuanita
Assurance Manager



71%

I am satisfied with actions Territory Leadership has taken to build a diverse and inclusive work environment.

80%

The people I work for trust me to use flexibility options without compromising the quality of my work.

68%

The people I work for are considerate of my life outside of work.

49%

It is possible to have a healthy lifestyle and be successful at PwC.

78%

The people I work for actively plan and coordinate with their teams to implement flexibility.

73%

The people I work for are considerate of how their behaviours impact others.

Professional Associations

PwC supports and encourages all people to join a professional association and gain appropriate relevant professional qualifications by reimbursing some cost incurred and providing study and exam leave to staff who attend examination.

PwC Indonesia is a member of the following professional associations:

EuroCham - European Business Chamber of Commerce in Indonesia

AmCham Indonesia - American Chamber of Commerce in Indonesia

BritCham - British Chamber of Commerce in Indonesia

IABC - Indonesia Australia Business Council

Castle Asia - The most prestigious CEO forum in the country

APRINDO - Asosiasi Pengusaha Ritel Indonesia

IPA - Indonesian Petroleum Association

APBI ICMA - Asosiasi Pertambangan Batubara Indonesia

KERA - Korean Energy and Resources Association

KAFA - Korean Accountancy and Finance Association

Attracting the Best Talent

Intern – providing placement in various lines of service both client and non-client service.

Graduate Project – The graduate project aims to enhance new graduates' capabilities in project management, interpersonal skills, communication and teamwork by giving them the experience of managing a small non-client project.

Wellness Programs

In the office we provide regular communication on topics related to occupational health, as well as seminars on nutrition sharing, the basic of first aid, hepatitis and influenza, etc.

Promoting Activities Outside of Work

PwC works actively to help employees strike an effective balance between the demands in the workplace and personal life.

Regularly, we have weekly fitness class such as yoga, aerobics, modern dance, and sports activities such as basketball, badminton, futsal and some others.

In-House Counseling

In-House Counseling service is established as part of firm's corporate responsibility and duty of care to our people. It supports them facing a condition in life, workplace, personal, family which you might perceive as an issue.

Supporting Education

With all the various programs we have, our main program is supporting education. We believe that capacity building to a talent through learning by doing will give a better impact for the future. One of the initiatives we have continuously is PwC Indonesia stimulating young people's interest in becoming auditors by hosting mini-audit experiences with college students, giving them a real taste of what the job involves day to day.

In addition to that, PwC Indonesia also invites highly-selected college students to have close interactions with PwC management team through **Young Business Advisor program** – the program ensures that PwC exists to bridge the gap between education and the future workforce.



Focus area on Diversity and Inclusion

<i>Female in Leadership</i>	<i>More Diverse, Higher Synergy</i>	<i>PwC Parents Network</i>
<ul style="list-style-type: none">• Support/take part in global driven activities• Adapt the global driven initiatives into local events/activities	Bright/highlight different perspective & background to create value for PwC Indonesia through moments such as CNY, Valentine's Day, religions celebration, etc.	Appreciating life outside work context with focus on family which plays a big role in our life and one of the top reason for staff leaving PwC

Further question on this report, please contact:



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