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## Implementation of Corporate Social Responsibility as a Legal Mandatory in Indonesia (Case Study of PT AFC Indonesia)

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**Abstract:** This study examines PT AFC Indonesia and how companies should implement Corporate Social Responsibility (CSR) as a legal mandatory in Indonesia. Law No. 40 of 2007 regulates CSR as a moral responsibility. The purpose of this study is to evaluate how PT AFC Indonesia implements CSR and make recommendations for other companies. A qualitative method was used, which was used to analyze documents and interviews. The results show that PT AFC Indonesia improves the quality of life of the community through CSR programs that improve health services, clean water supply, and educational support. The conclusion is that this CSR implementation enhances the company's reputation and supports sustainable development in Indonesia.

**Keyword:** Corporate Social Responsibility, Legal Mandatory, Sustainable Development.

### INTRODUCTION

Corporate social responsibility (CSR) is crucial. According to literature and studies that have been done, it is not enough to just address the internal needs of the company. It also explains the environment that surrounds the company and the location where the company is located. (Pujiyono, Jamal Wiwoho, Triyanto., 2016).

Word Bank defines CSR as “the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve quality of life.

That are both good for business.” (Asan Vernyuy Wirba, 2024) According to the preceding definition, every person or organization (business) is dedicated to promoting sustainable economic development in order to raise the standard of living for workers, households, and local and international communities. Projects or activities within the framework of corporate social responsibility are part of this dedication to economic development. (Urbanisasi & Gunardi, 2021)

The importance of corporate social responsibility (CSR) for a company cannot be overlooked. CSR is the notion that an organization, especially a company, owes itself to its responsibilities to customers, employees, shareholders, the community, and the environment in every area of its operations. This includes environmental issues such as waste, pollution, product safety, and worker welfare. The company must build relationships with the local community and the rest of society through CSR. The company must adapt and gain social benefits from its involvement in the local community by incorporating public trust as a form of social benefit. (Moody Rizky Syailendra P, 2023).

CSR programs demonstrate the global business sector's commitment to sustainable development by encouraging corporate initiatives that support local communities. CSR programs achieve this by creating and maintaining a balance between generating profits, performing social functions, and considering environmental protection. John Elkington later introduced the concept of "3P," meaning profit, people, and planet. According to this concept, to survive in the business world, companies must focus on maximizing profits (profit) while making a positive contribution to society (people) and the (planet). According to Article 74 of Law No. 40/2007 on Limited Liability Companies, a company is obliged to implement corporate social responsibility (CSR). The company implements CSR as a moral and legal mandatory. Legal mandatory refers to a responsibility that must be fulfilled and, if not fulfilled, can be subject to legal sanctions that apply in a country. (Doni Putra Utama, 2017).

Making as much money as possible for its stockholders is a company's first and foremost goal. But as time has gone on, corporations have been under increasing pressure to fulfill their social responsibility to enhance the well-being of the local community and other stakeholders. Additionally, businesses have social commitments to a variety of stakeholders in addition to their financial ones to their investors. Social obligations can be in the form of direct interactions with consumers and labor or indirect interactions with communities around the company. Companies are required to perform social obligations to stakeholders, more than just economic responsibilities to shareholders. Social obligations can be direct interactions with labor and consumers as well as indirect interactions with communities living around the company's location. In Indonesia, the implementation of Corporate Social Responsibility (CSR) is a requirement imposed on Limited Liability (PT) companies in accordance with the Laws No. 40 of 2007 on Limited Liability Enterprises, No. 25 of 2007 on Capital Investment, and Decree of the Minister of Public Institutions Number KEP-236/MBU/2003 on Partnership Programs between State-Owned Enterprises and Small Businesses and Community Development Programmes. (Nurma Risa, Tuti Sulastri, Joko Pramono, 2011).

As a legal requirement to be complied with by the company, PT AFC Indonesia, also referred to in the network as "AFC Life Science," is the official subsidiary of AFC Japan in Indonesia, recognized as the largest and most loyal direct selling company in Indonesia. PT. AFC Indonesia is dedicated to offering the high-quality All Natural supplement, containing exceptional anti-aging ingredients that have received patents, clinical tests, and international awards, distinguishing itself as the most effective marketing plan in Indonesia currently. (AFC, 2024).

PT AFC Indonesia has implemented a CSR program that is understood as a more 'humane' concept where an organisation is seen as a moral agent. Therefore, with or without legal rules, a business organisation must uphold morality. The success of this CSR Programme is the result of cooperation between PT AFC Indonesia and various parties, one of which is the surrounding community. Through Community Development Activities, which take place in a continuous and systematic way, planned and oriented towards a larger community in order to improve socio-economic conditions and quality of life compared to previous development initiatives. The application of the concept of CSR through the Community Development programme is one of the most successful applications of this concept. Together with the various

Corporate Social Responsibility (CSR) programs conducted by PT AFC Indonesia so far, it encompasses different areas of life within the municipality, such as education, potential exploitation of common potential and resources, health, social and cultural, infrastructure development, and other strategic aspects. This shows that the company not only prioritises the search for large profits in running the company but also pays attention to the environment and the surrounding community. (Sri Eko P, 2019).

However, the implementation of Corporate Social Responsibility (CSR) in Indonesia still faces various obstacles and considerations. With 38 provinces and more than 300 ethnic or tribal groups, or 1,340 ethnic groups, according to the 2020 census of the Central Statistics Agency (BPS, 2024), Indonesia's social and cultural complexity poses a major challenge in the implementation of Corporate Social Responsibility. The various cultural contexts, needs, and expectations of various individuals require a more appropriate and attentive approach to the local context.

In this situation, PT AFC Indonesia, as a company committed to the implementation of Corporate Social Responsibility (CSR) as a legal mandatory, must be able to understand and react to the diversities present. Each province and community has its own problems and needs, from schooling and health care to the construction of infrastructure. Therefore, the CSR plan must be adapted to the conditions and specificities of the territory in order to achieve optimal impact. (Hassan et al., 2019).

In addition, there are also challenges in terms of cooperation between companies, the government and the population. The success of the Corporate Social Responsibility program is not limited to the efforts of the same company, it also requires the support and active participation of various entities. Therefore, it is crucial for PT AFC Indonesia to establish a strong collaboration with local stakeholders to ensure the efficient and sustainable functioning of the CSR program (Sari, 2020).

This study, taking into account various existing issues and complexities, aims to examine the legal rules for the implementation of CSR in Indonesia as a legal mandatory and how PT AFC Indonesia implements corporate social responsibility (CSR) as a legal responsibility as well as offer guidance for other companies in Indonesia regarding CSR implementation strategies in Indonesia in the midst of existing diversity.

## **METHOD**

This research uses a qualitative method with a normative approach that combines analysis of legal documents and interviews. The research design is descriptive-analytical, aiming to understand the implementation of Corporate Social Responsibility (CSR) as a legal mandatory in PT AFC Indonesia. Document collection involved collecting relevant documents and conducting content analysis to identify key themes relating to PT AFC Indonesia's corporate social responsibility policies, objectives and outcomes of various initiatives. Interview correlation was conducted using the results of the literature review to consolidate and provide context to the interview results. The researcher used the results of interviews with informants and legal and regulatory documents relating to CSR on the research topic as the main database. Secondary data sources in this research are document studies from books, archives, records, journals, and articles.

The key informants in this study are:

1. Hadi Josua, member of AFC Indonesia, as an informant from PT. AFC Indonesia
2. Sunardi, member of AFC Indonesia, as an informant from PT. AFC Indonesia
3. Juwita Silaban, member of AFC Indonesia, as an informant from PT. AFC Indonesia
4. Eka Berlina, member of AFC Indonesia, as an informant from PT. AFC Indonesia
5. Putriana, member of AFC Indonesia, as an informant from PT. AFC Indonesia
6. Melda, member of AFC Indonesia, as an informant from PT. AFC Indonesia

As well as a representative of the local community that feels the impact of the company's CSR program.

## RESULTS AND DISCUSSION

### Corporate Social Responsibility (CSR) in Indonesian legislation

In the modern business environment, when corporations are expected to focus not just on financial advantages but also make constructive contributions to society and the environment, corporate social responsibility, or CSR, is becoming more and more important. Various legal restrictions, including laws, government regulations, and ministerial regulations, control Indonesia's requirement to adopt corporate social responsibility. In addition to supporting sustainable building, *Sistema Legal Ini* seeks to incentivize businesses to assume more accountability for their operations.

Law No. 40 of 2007 on Limited Liability Companies, which governs businesses' obligations to adopt social and environmental responsibilities (Article 74), is one of the primary legislative foundations for the implementation of CSR in Indonesia. Law No. 32 of 2009 on Local Government offers a framework for cooperation between local governments and businesses in the execution of social programs, while Law No. 25 of 2007 on Capital Investment further reinforces the significance of CSR in the context of investment. However, Law of the Republic of Indonesia No. 19 of 2003 governs state-owned companies (SOEs) and highlights how crucial they are to promoting societal well-being. Additionally, there are several ministerial rules controlling partnership and community development programs for state-owned firms, as well as Government Regulation No. 47/2012, which expressly regulates corporate social and environmental responsibility, to boost the implementation of CSR.

The Partnership and Community Development Programme (PKBL), which is described in several ministerial regulations such as PER-05/MBU/2007, PER-08/MBU/2013, PER-02/MBU/7/2017, and KEP-236/MBU/2003, provides guidance to state-owned enterprises on how to establish partnerships with communities and small businesses. Businesses aiming to carry out CSR in an effective and transparent way can also refer to international norms such as ISO 26000 and the Global Reporting Initiative (GRI).

1. Paragraph 74 of Law No. 40 of 2007 pertaining to the *Perseroan Terbatas* (UUPT). Social and ecological responsibility (CSR) is mandatory for businesses in the natural resources sector. For businesses to assist the local community and the environment, corporate social responsibility (CSR) is essential. Administrative consequences may result from noncompliance of CSR duties. CSR dedication: Businesses engaged in natural resource-related industries, like oil, are required to implement social and ecological responsibility policies. (UU No. 40 Tahun 2007)
2. The 2007 Constitution's Article 25 on Modal Investment. This law lays forth the obligations of businesses that profit from domestic or foreign investments to advance the nation's economy and society through their Corporate Social Responsibility (CSR) initiatives. Pasal 15 and 16 stress that corporate social responsibility (CSR) is a component of businesses' obligations to the environment and the populace. The dedication to Corporate Social Responsibility (CSR): Businesses that profit from investments must make a social contribution by putting various programs into place that enhance population well-being and advance ecological. (UU No. 25 Tahun 2007)
3. Businesses have a responsibility to support environmental conservation initiatives in the communities where they operate, as stated in paragraph 70 of Law No. 32 of 2009 on Local Government. CSR responsibilities include initiatives to protect the environment and enhance the standard of living for locals. CSR Commitment: Businesses must put in place CSR initiatives that support environmental sustainability and the well-being of local populations in the regions in which they conduct business. (UU No. 32 Tahun 2009)

4. Law No. 19 Year 2003 on State-Owned Enterprises (SOEs). This law states that SOEs, as fully owned companies, have a responsibility to contribute to social and economic progress through CSR initiatives. It is possible to create partnership programmes with small and medium-sized organisations and enterprises, while promoting regional development. CSR Commitment: As a social duty to society and their functioning environment, state-owned businesses must carry out CSR programs. (UU No. 19 Tahun 2003)
5. Social and environmental responsibility is governed by Government Regulation No. 47 of 2012. This rule outlines the statutory social and environmental responsibility (CSR) obligations of businesses. Incorporating Corporate Social Responsibility (CSR) into corporate operations is essential for organizations because it promotes environmental preservation and societal well-being. All businesses, whether in the natural resource sector or another, must immediately adopt CSR that prioritizes the environment and society. (PP No. 47 Tahun 2012)
6. The Partnership and Community Development Program Regulation number PER-05/MBU/2007 was issued by the Minister of State-owned Enterprises. Partnerships and community development initiatives for state-owned businesses are governed by this rule. While the Community Development program aims to enhance the standard of living in the neighborhoods surrounding the state-owned organization, the Partnership program supports small and medium-sized businesses. Responsible Social Engagement: Indonesian state-owned businesses must carry out the Partnership and Community Development Programme (PKBL), which emphasises social and economic advancement inside the organisation. (PER-05/MBU/2007)
7. The Minister of State-Owned Enterprises issued Decree KEP-236/MBU/2003 on Community Development Programs and Partnership Programs between State-Owned Enterprises and Small Businesses. The collaboration program between small and medium-sized businesses and state-owned firms, which aims to boost the local economy and expand the potential of small and medium-sized industries, is governed by this decree. Enhancing the community's social quality is another goal of the community development program. To enhance community health, state-owned businesses must work with small and medium-sized businesses and engage in social activities. (KEP-236/MBU/2003).
8. Regulation on Partnership and Community Development Programs, number PER-08/MBU/2013, issued by the Minister of State-owned Enterprises. The SOE's PKBL policy is updated and expanded by this legislation, which highlights the value of growing local communities and small and medium-sized businesses. Through collaboration with SOEs, the program seeks to promote communities' economic independence. Additionally, through the Community Development program, it seeks to improve communities' quality of life. Commitment to Corporate Social Responsibility (CSR): While enhancing mutual welfare through green building initiatives, SOEs must keep fortifying their alliances with small and medium-sized businesses. (PER-08/MBU/2013)
9. Additional guidelines on the sustainable implementation of the Partnership and Community Development Programs, taking into account the social and local impacts of state-owned enterprises' actions, are outlined in Regulation of the Minister of State-Owned Enterprises number PER-02/MBU/7/2017 on Partnership Programs and Community Development Programs (PER-02/MBU/7/2017). CSR stands for corporate social responsibility. CSR programs in state-owned businesses ought to be long-lasting and produce long-term advantages for the environment and society. (PER-02/MBU/7/2017)
10. The Sustainable Development Goals (SDGs) and the Partnership and Community Development Program (PKBL). One strategy that supports the Sustainable Development Goals (SDGs) is PKBL. Through cooperative initiatives that concentrate on poverty alleviation, education, and health, as well as environmental conservation programs,

- companies especially state-owned enterprises (SOEs) can help accomplish the Sustainable Development Goals (SDGs). (Goals for Sustainable Development) CSR Dedication. The attainment of sustainable social and environmental development is positively impacted by the application of PKBL that promotes the accomplishment of SDGs. (Rachmawati R, 2021)
11. ISO 26000 is the International Organization for Standardization. Corporate social responsibility (CSR) guidelines are provided by the worldwide standard ISO 26000. ISO 26000 acts as a guidance for businesses implementing corporate social responsibility (CSR), however it is not required. Community development, consumers, good institutional practices, environment, employment, human rights, and organizational governance are the seven primary social responsibility issues that the ISO 26000 guideline continuously addresses, according to the International Organization for Standardization.. CSR Commitment: Companies in Indonesia have the opportunity to adopt ISO 26000 to implement more organised and empowering CSR. (Aminurosyah J, 2020).

### **Corporate Social Responsibility (CSR) by PT. AFC Indonesia**

AFC Life Science is the official distributor of AFC Japan operating in Indonesia as one of the largest and most trusted Direct Selling companies. With a commitment to providing high-quality natural supplements, AFC offers super premium anti-aging products that have been patented and clinically tested and internationally recognized. the results of interviews with members of PT. AFC Indonesia

1. **Commitment to Quality.** AFC Life Science focuses on providing high-quality, natural supplements, the products offered have gone through a clinical testing process to ensure effectiveness and safety, using premium materials that have been patented and guaranteeing product innovation and uniqueness.
2. **Awards and Recognition.** AFC Life Science has received numerous international awards affirming the quality and reputation of its products, Success in this industry demonstrates the company's dedication to the health and well-being of the community.
3. **Best Marketing Plan.** AFC Life Science offers a marketing plan designed to provide maximum benefits for partners and distributors, An effective marketing strategy helps to expand the product reach and increase sales.
4. **Transformation and Success.** Many individuals have experienced a life transformation through the opportunities provided by AFC Life Science, Success stories from various backgrounds, such as farmers, sellers, and even ex-convicts, show the positive impact of joining the AFC.
5. **History and Development.** AFC, established by Asayama Tadahiko in Japan, has grown into a leading institution in the field of health and beauty. Thanks to more than 170 years of experience gained through its Honzo division, AFC has a solid foundation for the study and development of herbal products.
6. **AFC Life Science continues to be committed to providing high-quality products and promising business opportunities for the people of Indonesia, making it the right choice for health and well-being.**
7. **The mission of AFC Indonesia is to be a light for the Indonesian nation, especially in remote and underdeveloped areas. Through AFC Care, the company hopes to have a positive impact to become a light for remote and disadvantaged areas. AFC believes that people who are diligent in giving will never be lacking.**
8. **For Corporate Social Responsibility (CSR), we established AFC CARE, where AFC Care in is a movement to be a light for the Indonesian nation. More than 10,000 free products have been distributed by AFC Care to patients and underprivileged people, who are recommended by members. The CSR initiative implemented by PT. AFC Indonesia through AFC Care includes:**



Source: AFC Life Science - AFC Care  
**Figure 1. AFC Health Centre Lombok**

AFC Health Centre Lombok is one of the important initiatives of AFC Life Science in order to improve the quality of public health in Indonesia. Through the AFC Care program, the construction of the Auxiliary Health Center (Pustu) Plus in Aik Mual Hamlet, East Sekotong Village, West Lombok Regency, is one of the concrete steps to realize CSR in making a positive contribution to public health. The center is designed to provide better and more affordable health services to the local community. Some of the key aspects of this initiative include:

1. **Health Service Accessibility:** With the existence of Pustu Plus, people in Aik Mual Hamlet and its surroundings can access basic health services more easily, without having to travel long distances to larger health facilities.
2. **Integrated Health Services:** Pustu Plus offers not only basic medical services, but also health prevention and promotion programs, including immunizations, routine health checkups, and health education.



Source: AFC Life Science - AFC Care  
**Figure 2. AFC Care in collaboration with CPL Colonel Simon Petrus Kamlasi**

The collaboration between AFC Care and CPL Colonel Simon Petrus Kamlasi in drilling springs in drought-stricken areas in Indonesia is a strategic step to overcome the problem of the clean water crisis. With a comprehensive approach, the project not only aims to provide clean water but also to improve public health, support the local economy, and build awareness of the importance of sustainable water resource management. Through this collaboration, it is hoped that a sustainable positive impact can be created for people in areas in need.



Source : AFC Life Science - AFC Care

**Figure 3. AFC Care with Yayasan Sayangi Tunas Cilik for Lombok**

Lombok, an island located in West Nusa Tenggara, Indonesia, has great natural beauty and high tourism potential. However, the island also faces various social and economic challenges, especially after natural disasters such as the earthquake that occurred in 2018. Many people have lost their homes, access to health services, education, and other basic needs. In this context, AFC Care collaborates with Yayasan Sayangi Tunas Cilik (YSTC) to provide assistance and support to the people of Lombok, especially children and families who are affected.



Source : AFC Life Science - AFC Care

**Figure 4. AFC Care for Bani Al Hakim Foundation**

The collaboration between AFC Care and the Bani Al Hakim Foundation is a strategic step in supporting the education and welfare of students under the auspices of the foundation. With the financial support provided, it is hoped that the Bani Al Hakim Foundation can continue to operate well, improve the quality of education, and have a positive impact on the community. Through this collaboration, AFC Care is committed to contributing to producing a generation that is qualified, noble, and ready to face future challenges.





Source : AFC Life Science - AFC Care

**Figure 5. AFC Care for Nabire**

In order to improve the community's quality of life, particularly for children, AFC Care and Raline Shah partnership to construct public amenities in Nabire is a critical step. The community is anticipated to benefit greatly from this project, which focuses on building the Women's Dormitory and sanitary amenities. Raline Shah and AFC Care are dedicated to improving the environment and fostering the development of children in Nabire through this partnership, enabling them to have a better future.



Source : AFC Life Science - AFC Care

**Figure 6. AFC Care untuk Batuputih, Hane**

AFC Care's initiative to build a clean water source in Batuputih, Hane, is a crucial step in improving the quality of life of the local community. With the support of state servants and the active involvement of the community, this project will not only provide access to clean water, but also have a wider positive impact on the health and economic well-being of the community. Through this collaboration, it is hoped that the people of Batuputih can experience real benefits from the existence of clean water sources, which will contribute to sustainable development in the area.

AFC implementation of Corporate Social Responsibility (CSR) in Indonesia demonstrates its commitment to social and environmental responsibility, in accordance with the country's laws. In Indonesia, CSR is not only perceived as a voluntary approach, but it is also subject to various laws and guidelines, including Law No. 40 of 2007 on Limited Liability Companies. This law requires companies to fulfil social and environmental responsibilities in

connection with their business activities. This includes actions aimed at benefiting the community, preserving the environment and contributing to sustainable development. The implementation of CSR by AFC, which includes various social, environmental, and community empowerment programs, shows that the company not only focuses on profit, but also plays an active role in improving community welfare and preserving the environment.

By implementing CSR as a legal mandatory, AFC can strengthen the company's reputation and image, improve relationships with stakeholders, and create added value for society and the environment. In addition, good CSR implementation can help companies face social and environmental challenges, as well as increase competitiveness in the market.

Overall, the implementation of CSR by AFC as a legal mandatory in Indonesia is a strategic step that is not only beneficial to the company itself, but also has a wide positive impact on society and the environment, in line with the principles of sustainable development.

### **CSR Implementation Strategy by PT. AFC Indonesia**

PT. AFC Indonesia, through the AFC Care initiative, has shown a strong commitment to implementing Corporate Social Responsibility (CSR) with a focus on improving public health, education, and access to basic resources such as clean water. The various programs launched, such as the AFC Health Centre in Lombok and other collaborative projects, reflect the company's holistic approach in making a positive contribution to Indonesia's diverse society.

#### **1. Accessibility of Healthcare Services**

One of AFC Care's main initiatives is the construction of the Auxiliary Health Center (Pustu) Plus in Aik Mual, Lombok. With this facility, local people get easier access to basic health services. Before Pustu Plus, residents had to travel long distances to get medical care, which was often a barrier to getting the necessary health services. By reducing the distance traveled, AFC Care not only improves the accessibility of healthcare services, but also encourages the public to be more proactive in maintaining their health.

#### **2. Integrated Healthcare**

Pustu Plus not only provides basic medical services but also prevention and health promotion programs. This includes immunizations, routine health checks, and health education. This approach is especially important, especially in areas that may have low levels of health awareness. By providing needed information and services, AFC Care contributes to the improvement of overall public health, which in turn can reduce the burden of disease and improve quality of life.

#### **3. Clean Water and Public Health Crisis**

The collaboration between AFC Care and CPL Colonel Simon Petrus Kamlasi in a project to drill clean water sources in drought-stricken areas is a strategic step to overcome the clean water crisis. The project not only aims to provide access to clean water but also to improve public health and support the local economy. By providing a clean water source, AFC Care helps prevent diseases caused by contaminated water and improves the quality of life of the community.

#### **4. Post-Disaster Social and Economic Impacts**

After natural disasters, such as the earthquake that hit Lombok in 2018, many people lost their homes and access to basic services. In this context, AFC Care is collaborating with Yayasan Sayangi Tunas Cilik to provide assistance to affected children and families. This support not only helps meet urgent needs but also contributes to the long-term recovery of society. With a focus on children, AFC Care strives to ensure that future generations have a better chance of developing.

#### **5. Educational Support**

AFC Care's collaboration with Bani Al Hakim Foundation to support children's education is an important step in improving community welfare. Through financial support, the

foundation can continue to operate and improve the quality of education. An investment in education is an investment in the future, and AFC Care is committed to helping create a generation that is educated and ready for challenges.

#### 6. Construction of Public Facilities

AFC Care's initiative to build public facilities in Nabire, including women's dormitories and sanitation facilities, is an important step to improve the quality of life of the community, especially children. These facilities not only provide a safe place to live but also support the health and well-being of children, which are essential for their growth and development.

#### 7. Community Participation and Sustainability

The clean water source development project in Batuputih, Hane, shows the importance of community involvement in CSR initiatives. By involving the community in the development process, AFC Care not only creates a sense of ownership but also ensures that the project is sustainable and in line with local needs. Community involvement in water resource management can also increase awareness of the importance of sustainable resource management.

The CSR approach adopted by PT. AFC Indonesia demonstrates a demonstrated dedication to improving the quality of life of citizens in Indonesia's multicultural context. AFC Care, with a focus on health, training and access to essential resources, not only fulfills its corporate social responsibility, but also contributes to the sustainable development of Indonesia. Through collaboration with various stakeholders and active community involvement, this approach is intended to generate a lasting beneficial impact and provide long-term benefits to those affected.

## CONCLUSION

With an emphasis on PT. AFC Indonesia, the study examines how Corporate Social Responsibility (CSR) has been implemented in Indonesia as a legal requirement. According to the report, corporate social responsibility (CSR) is not just about moral obligation; it is also subject to a number of legislative requirements that mandate businesses make contributions to the environment and community's well-being. PT. AFC Indonesia has implemented a comprehensive Corporate Social Responsibility (CSR) plan, including health measures, provision of clean water and educational support, directly contributing to the improvement of citizens' quality of life. When PT. AFC Indonesia adopts CSR as a legal obligation, not only strengthens the company's reputation, but also actively participates in sustainable construction. The holistic strategy adopted by the company, which includes society and various stakeholders, demonstrates a strong commitment to generate lasting positive impacts in the context of Indonesia's social and cultural diversity. The effective implementation of CSR by PT. AFC Indonesia offers a role model for other companies in executing their social responsibility amid the present difficulties and complexities.

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