



Corporate Report MEDIA GROUP

2013

Table of Content

MEDIA GROUP

- Chairman Statement
- Strategic Business Units
- Media Group Organization Structure
- Great Place to Work
- Corporate Philosophy
- Corporate Values
- Corporate Governance
- Stakeholders
- ENVIRONMENT
- COMMUNITY INVESTMENT



MEDIA GROUP



Chairman Statement

Media Group is one of the integrated group management, with strategic business unit across Indonesia. We are engaged in different industries, including exploration and production (partners), food manufacturing, food distribution, catering on shores and off shores, television and print media industries, hotels and hospitality.

In carrying out our business, our people are guided by The Corporate Philosophy and Values. Media Group is built on the idea that with commitment, integrity and ingenuity there is no problem that cannot be solved, no challenge that cannot be overcome. This is how the people of Media Group do their jobs every day.

Media Group sets goals to make a change from creating jobs, promoting the welfare of our supply chains, improving the quality of educators, providing formal and informal education for under-privilege children. Our social responsibility range from giving away books across the country, enabling cataract patients a second chance to see and disabled people to be independent. We are partnership with many companies, individuals, governments and NGOs.



The information set forth in this report reflects our strong sense of responsibility in creating values for our stakeholder.

Media Group as part of good corporate citizen enthusiastically and believe that our business policies incorporate with the ten principles of the Global Compact in the areas of human rights, labor, environment and anticorruption.

We are fully supports our actions in working towards sustainability goals in particular those contained in the UN Global Compact and endorse the future priorities and specific targets we set out in our report.

SURYA PALOH

Chairman



Strategic Business Units



www.metrotvnews.com

PT Media Televisi Indonesia Jl. Pilar Mas Raya Kav.A-D Kompleks Delta Kedoya Kedoya Selatan – Kebon Jeruk Jakarta 11520 Indonesia



www.mediaindonesia.com

PT Citra Media Nusa Purnama Jl. Pilar Mas Raya Kav.A-D Kompleks Delta Kedoya Kedoya Selatan – Kebon Jeruk Jakarta 11520 Indonesia



www.lampos.com

PT Masa Kini Mandiri Jln. Soekarno Hatta No. 108 Rajabasa, Bandar Lampung Indonesia



www.indocater.co.id

PT Indocater Jl. Pilar Mas Raya Kav A-D Kompleks Delta Kedoya Kedoya Selatan – Kebon Jeruk Jakarta 11521 - Indonesia



www.psu-food.com

PT Pangansari Utama Jl. Poncol Raya No.24 Ciracas Jakarta 13740 Indonesia

www.intercontinental.com/bali

PT Citra Jimbaran Indah Hotel Jl. Uluwatu 45 Jimbaran – Bali 80361 Indonesia

Strategic Business Units



www.thepapandayan.com

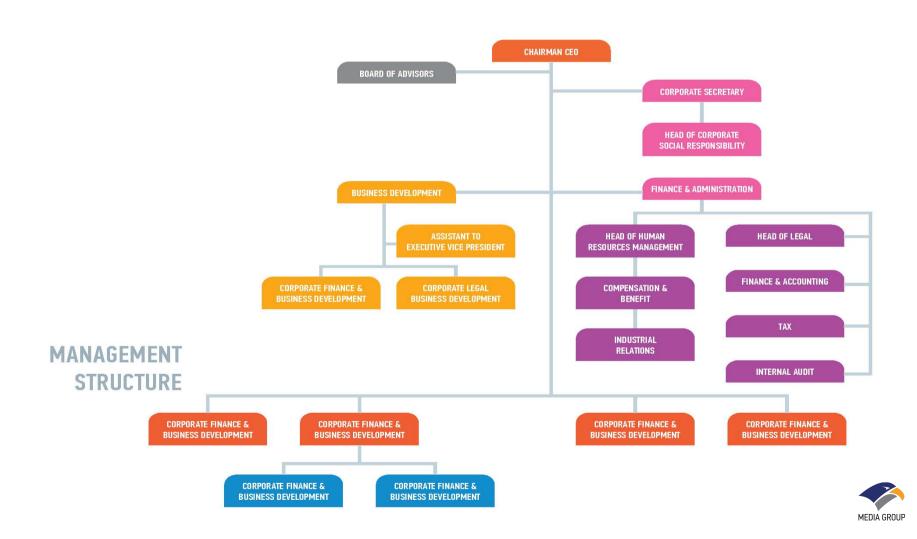
PT Citra Graha Nugratama Jl. Gatot Subroto 83 Bandung - West Java Indonesia



www.pumarin.co.id

PT Pusaka Marmer Indahraya The Plaza Office Tower 45th floor Jl. MH Thamrin Kav 28-30 Jakarta 10350 Indonesia

Media Group Organization Structure



Great Place to Work

We strive to make Media Group a great place to work by creating engaging, inclusive and safe environment that rewards success and encourages employees to take control of their personal development.

We focus on the behaviors that bring out the very best from every personals, assessing their performance not just on results but on how those results were achieved. We have always taken a view that our remuneration policies should support and drive our business strategy and reinforce our values.

Our annual performance bonuses are discretionary. They are set with regard to an assessment of achievement of our management agenda, achievement of personals performance, economic backdrop and profit.

8300 Members of staff

664 trainings for all business units

4 units had collective bargaining agreements with Unions



Great Place to Work

We employ over 5300 people representing various tribes and culturally diverse workforce means we adopt to flexible approach to managing the wide variety of issues faced by our employees;

- Gender diversity
- Tribes diversity
- o Culture diversity
- o Employees with disabilities
- Health and Safety
- o Learning and development
- o Reward and recognition

The health and safety of our personals is importance and we are vigilant in addressing workplace health, safety and environmental risk. It is a primary responsibility in health and safety for the operational works, and that no work can be performed prior to observing and ensuring that the job is safe, healthy and hygiene.



Great Place to Work

Our catering business has enhanced its Environmental, Health and Safety Management System (EHS MS) by aligning with ISO 14001 standard. Regardless of the position all personals should comply with the Health Safety Standards without compromises. They have ever marked an outstanding achievement of 30 millions hours without lost time accidents.

79% Male 21% Female

100 % Annual performance reviews



Corporate Philosophy

Vision

Making this company and it's resources into Nation's Assets

Mission

Becoming a leader in each of its work field

Background

- *Values are needed in every organization
- * Media Group participation in UNGC
- * Values embodied into Corporate Culture and Code of Conduct

Purposes

- *Differentiation between "Das Sein" and "Das Sollen"
- *Guidance, Lighthouse, Direction
- *Spirit & way of proceeding to every Media Group personal

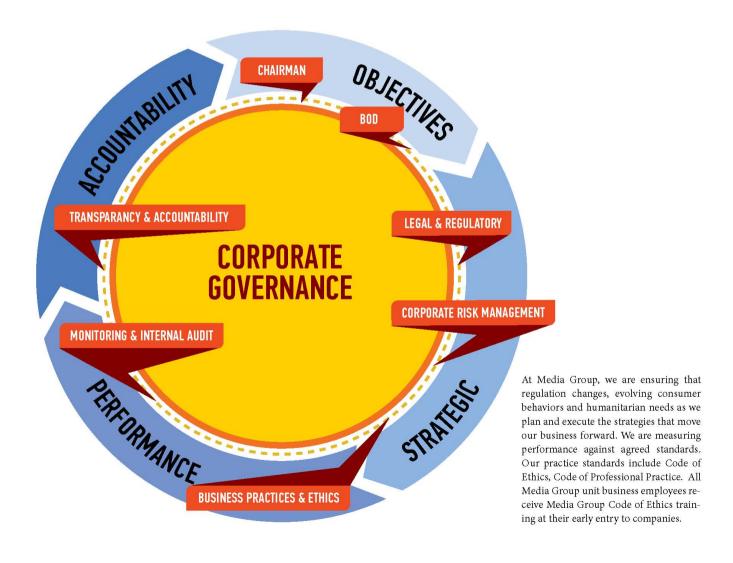


Corporate Values





Corporate Governance





Corporate Governance

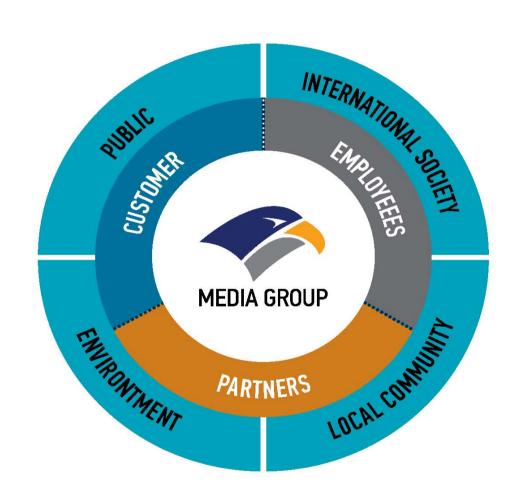
At Media Group, we are ensuring that regulation changes, evolving consumer behaviors and humanitarian needs as we plan and execute the strategies that move out business forward. We are measuring performance against agreed standards. Our practice standards include Code of Ethics, Code of Professional Practice. All Media Group unit business personals receive Media Group Code of Ethics training at their early entry to companies.

From West to East of Indonesia, from coalmines, education projects to farmers/fisherman in Papua, our Business relies on the commitment of an exceptional team. Media Group aims to achieve an excellent work team and we are committed to preserving a safe, healthy and respectful work environment.

Media Group become signatory to the United Nations Global Compact, our commitment to operating based on principles of Human Rights, Labor, Environment and Anti-corruption.



Stakeholders





ENVIRONMENT



Environment

We are conscious of our responsibility to cut the carbon dioxide emissions caused by our operations and have exceeded our reduction targets since 2004. But we can do much more to deal with the business. We work with personals, customers, and other stakeholders to raise awareness, stimulate action and reduce their impact on the environment.

All the business units should obey regulations and environment standard applies. Our catering business units has given a certificate of ISO 14001 – 2004for compliance to the Environmental Management Standard. Bali Intercontinental Hotel & Resort in Bali implementing an innovative online system "Green Engage" which allows us to reduce our carbon footprint and impact on the environment: from selecting suitable building sites to energy efficient lighting. In practical term, our initiatives help out hotel and resort reduce their energy consumption by up to 25%.

In 2007, we began implementing our green office policy. We launch action plans for key areas such as the energy use of our newspaper offices and printing sites buildings. The Green Committee review and revised strategy and operational activities to achieve efficiency of the goals. Internal campaigns are focusing on green concern within working place and personal lifestyle.



Environment

Our operations have less impact on the environment, we make a difference by improving in three key areas;

- Energy consumption in our workplace
- o Emissions from transportation
- Use of paper

Our biggest opportunity to help turn the tide of environmental damage is beyond our own operations. Our wide engagement inside Media Group achieves change by influencing the behavior of employees, customers, suppliers and other stakeholders.



COMMUNITY INVESTMENT



Media Group committed to improve community well-being through our discretionary business practices and Contributions of corporate resources. We can best achieve these goals through action linked to our core business and through our employees.

We support three main programs and activities:

- o Emergency Response on Natural Disasters. We are bringing reliefs and rebuild schools, shelters and houses.
- Schools in Aceh Province
- O Seeing is Believing. An initiatives to tackle the cause of avoidable blindness that has restored of eyesight of over thousand of people across Indonesia.
- O A Million Books Movement. Books are window of the world. Reading the great books has done more to our mind than all the rest of the academic pursuits. Reading is the best education to all of us. We have donate hundreds thousand of books to schools, libraries across Indonesia.
- Shoes for Indonesia Children Movement. Our children and students in many parts of West to East of Indonesia have no luxury to wear shoes to school. Inspired by the story of how shoe become a motivation to attend the schools everyday and self confident, we donate shoes to underprivileged children across Indonesia.
- A Thousands of Prosthetic Leg Movement. Every day, hundreds of traffic accidents occurred in Indonesia. Thousands of children and adults lose limbs due to accidents, conflict and natural disasters. We help provide with the prostheses they need to walk again.





Media Group Foundation www.mediagroup.co.id

Specialize in emergency response on natural disaster and rebuild across Indonesia. We manage to fundraising through our media units and encourage the personal contributions of our employees who are generous with their time and talent.

Our health program incorporate with Cicendo Eye Centre and other corporate performed cataract surgery of Over thousands of people in Indonesia.

1364 visual impaired

34 schools rebuild after natural disaster

shelters build after natural disaster

















Sukma Foundation <u>www.sukmabangsa.sch.id</u>

In response to the aftermath of the natural disaster triggered by the powerful earthquake and tsunami that struck Aceh and North Sumatera, the Media Group has been involved in a series of humanitarian activities. After emergency response and educational rehabilitation, we set up the Sukma Foundation to construct and establishing Sukma Bangsa Schools (complete educational school level from elementary level up to senior high school level) – well equipped educational facility comprising super schools complexes in three locations in Aceh.

As the long term goals, we dedicating the schools for Aceh children that become the victims of the tsunami and come from poor families by provide the best education with all the supported equipment without any fee at all.

3 schools in Aceh Rp. 84,6 billion school grants 598 students in 2013

Total 600 students graduated



















Kick Andy Foundation www.kickandy.com

Kick Andy Foundation initiated books for children across Indonesia. Through books, children come to experiencing the color of life, the form of being, the universe, knowledge, adventure and to understand life in a whole way.

As we are holding on three keys to more abundant living of caring and sharing with others, Kick Andy Foundation provide a prosthetic limb, distributing books, schools supplies, footballs, shoes and build/rebuild community libraries in Indonesia.

We are believed on good values in every programs. Through football program, we are spreading good values and united in diversity.

372,690 books distributed 8098 pairs of shoes distributed

3521 prosthetic limbs given

16421 footballs distributed

44 wheelchairs given











UNITED NATIONS GLOBAL COMPACT PRINCIPLE

INDEX	DESCRIPTION	PAGE
GC HR 1	HUMAN RIGHTS	
	Support & respect the protection of International proclaimed	10
	Human rights	10
GC HR 2	No complicit of human rights abuse	10
GC LA 3	LABOR	
	Freedom of association and right to collective bargaining	9, 10, 11
GC LA 4	Elimination of forced and compulsory labor	9, 10, 11
GC LA 5	Abolition of Child Labor	9, 10, 11
GC LA 6	Elimination of discrimination for employment and occupation	9, 10, 11
GC EN 7	ENVIRONMENT	
	Support to environmental challenge	18, 19
GC EN 8	Initiatives to promote greater environmental responsibility	18, 19
GC EN 9	Encourage the development to environmental friendly	18, 19
GC AC 10	ANTICORRUPTION	
	Against corruption	15



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