



MEDIA GROUP

UNITED GLOBAL COMPACT COMMUNICATION ON PROGRESS 2018





Chairman Statement

At Media Group, inclusion, respect, equality and diversity are critical component of our value, strategy and commitment to making our companies a great place to work. We are cultivating an environment that encourages every employee to speak up, embrace change and choose different. We are showing up in new ways and places to build relationships and attract diverse talent, which is vital to our success as leading companies on the industry.

Media Group offers specialized training for employees across Indonesia to help understand unconscious bias – one diversity’s toughest challenges. We also believe provocative training for hiring managers to reinvigorate our hiring and selection approach to ensure we are bringing new ideas, perspectives, and experiences to teams across the company.

Media Group paying careful attention to social and environmental concerns to become a responsible member of the community and are appropriately and correctly coping with the demands of stakeholders.

By 2020 we commit to focusing on:

- **Our workforce – impacting our value and culture through strong leadership**
- **Our marketplace – creating and building audiences and consumers basis**
- **Our community – building up and giving back**

Media Group will keep supporting the UN Global Compact continuously and make every effort to become a company that caters to the interest and expectations of stakeholders, fulfills its responsibilities, and pursues sustainability growth and advancement.

SURYA PALOH

Chairman

OVERVIEW

Media group is not a legal entity. It is a management group that controls, supervises, coordinates and maintains integrations and synergy of all business units and companies.

The history begins with the establishment of Indocater – industrial site catering company back in 1978. Since then the business has been growing significantly and continue expanding to other industries including hospitality, printed media and television, natural resources based industry, such as oil/gas and energy, agro business and others.

BUSINESS UNITS

UNITED GLOBAL COMPACT
COMMUNICATION ON PROGRESS
2018

United Global Compact
Communication On Progress
2018 Report

MEDIA
INDONESIA

 LAMPUNG POST

 METRO TV

CATERING BUSINESS



MEDIA HOSPITALITY

UNITED GLOBAL COMPACT
COMMUNICATION ON PROGRESS
2018

United Global Compact
Communication On Progress
2018 Report



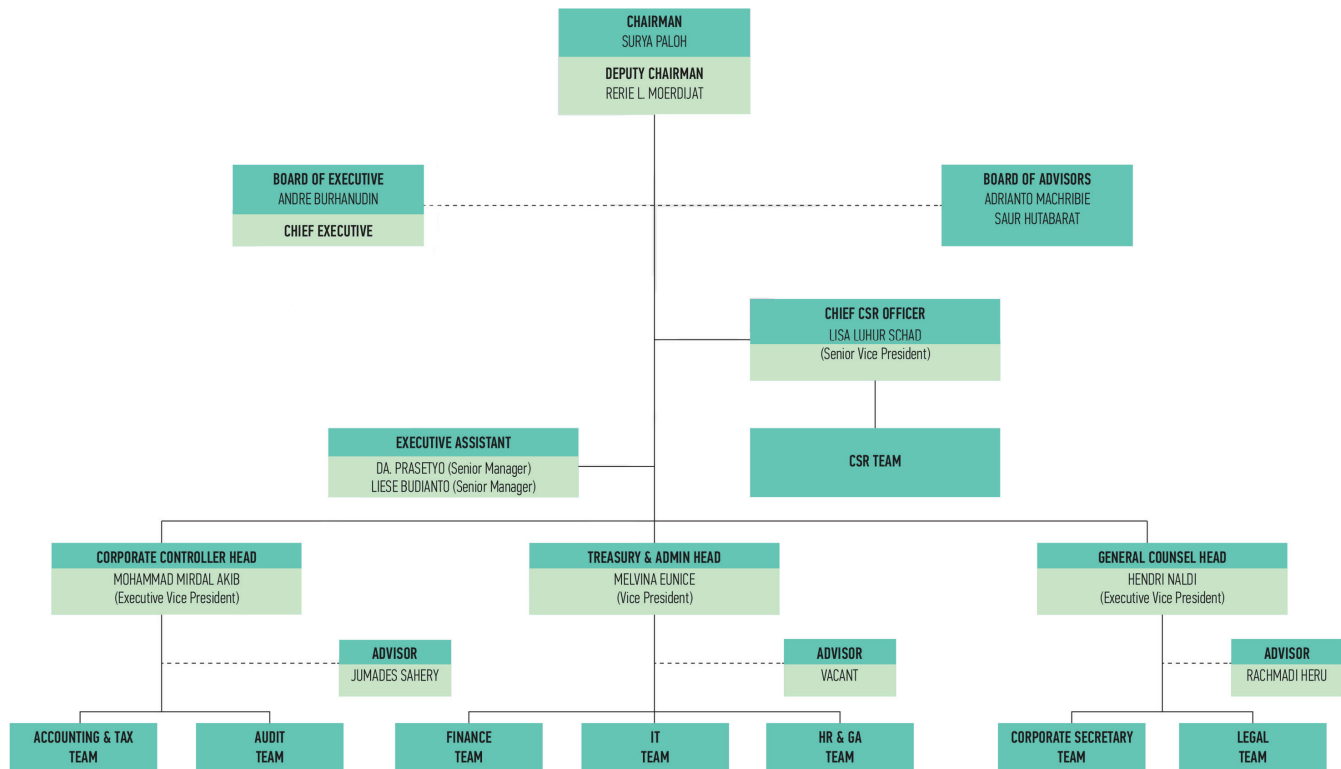
ENERGY AND NATURAL RESOURCES

INDOENERGI PLATINIUM



SURYA ENERGI RAYA

OPERATIONAL STRUCTURE OF THE ORGANIZATION



MEDIA GROUP NETWORK



INDONESIA

Jakarta:

- Media Complex
- The Media Hotel
- Thamrin Hospital
- Jakarta International School
- Global School
- Siloam International Hospital
- Pantai Indah Kapuk Hospital
- Media Permata Hijau Hospital
- Puri Cinere Hospital
- Ipeka

Thousand Islands:

- CNOOC

West Java-Bekasi:

- PT Moric Indonesia
- Mattel Indonesia
- BO Cibitung (JSNO Catering)

BSD:

- Sinarmas World Academy

Cibubur:

- Melia Cibubur Hospital

Bogor:

- Azra Hospital
- PT Bekaert Indonesia

Karawang:

- PT Atsumitec
- PT Bekaert Indonesia

Bandung:

- Papandayan Hotel
- PT Pumarin

Java Sea:

- PT Apexindo Pratama Duta
- CNOOC SES Ltd.
- Pertamina Sulu Energy

East Java:

- PT Timas Suplindo - Gresik
- Exxon CFF
- Exxon FSO

East Kalimantan:

- PT Medco E&P Sembakung
- Arutmin
- PT United Tractor Tbk.
- PT Inamco
- Total E&P Indonesia
- Schlumberger Deltabiru
- Schlumberger OFS.I

- PT Apexindo Pratama Duta Tbk.

- Thiess Contractors Indonesia

- Kaltim Prima Coal

- Chevron Indonesia Kaltim Co.

- Pearl Oil Mubadala

Central Kalimantan:

- Site OPHIR KGPF

South Kalimantan:

- PT Leighton Contractors Indonesia
- Thiess Contractors Indonesia

Bali:

- Bali Intercontinental Hotel

Lampung:

- Lampung Post

Riau:

- BOB PT Bumi Siak Pusako
- Chevron Libo Petapahan
- Chevron Maintenance Dumai Bangko
- Chevron Sport & Recreation Rumbai Minas

Batam:

- McDermott Indonesia

South Sumatera:

- Elnusa Tri Star Ramba Ltd.
- PT Tambang Batu Bara Bukit Asam (Persero) Tbk.

South Jambi:

- Conoco Phillips (Grissik Ltd. & South Jambi Ltd.)

Seram Island:

- Kalrez Petroleum (Seram) Ltd.

South Sulawesi - Soroako:

- PT International Nickel Tbk

Maluku:

- Citic Seram, Total Indonesia E&P

Papua - Tembaga Pura:

- PT Freeport Indonesia

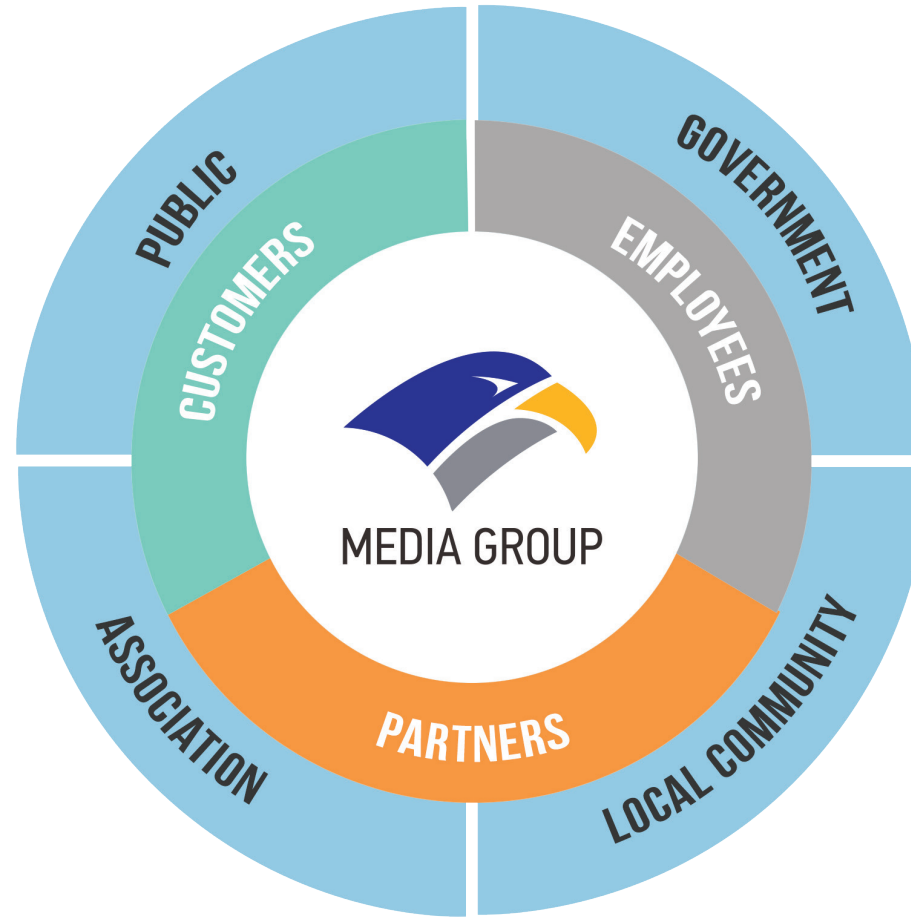
- BP Berau Ltd.

- Mine Serve Serui - Logar

West Papua - Sorong:

- Brotojoyo

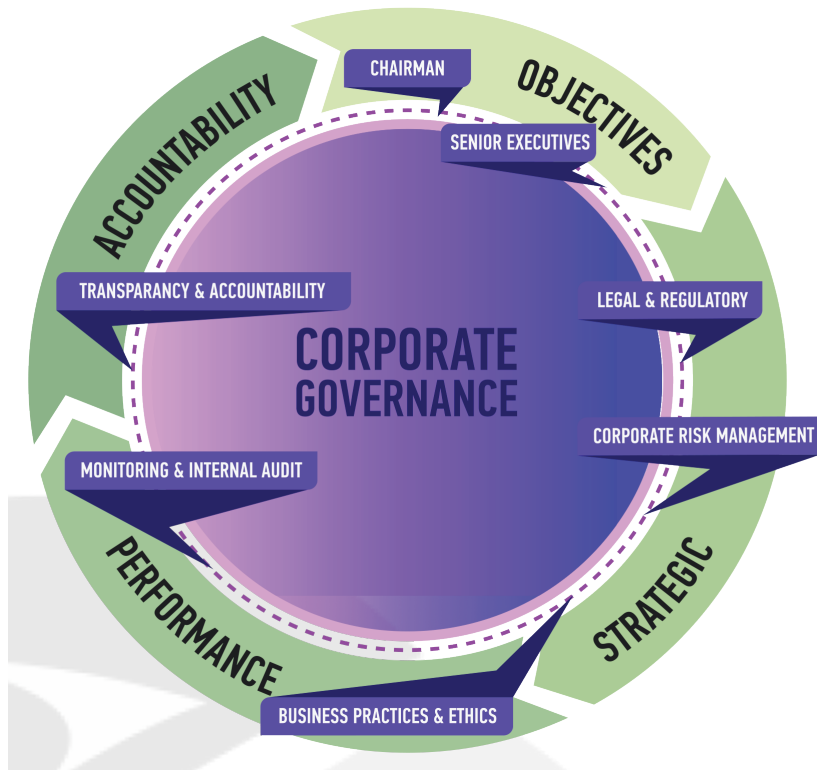
STAKEHOLDER



CORPORATE GOVERNANCE

UNITED GLOBAL COMPACT
COMMUNICATION ON PROGRESS
2018

United Global Compact
Communication On Progress
2018 Report



Media Group is committed to having a strong corporate governance practices that essentially involves balancing the interests, rights and responsibilities among the Senior Executives, shareholders, management, board of advisors, board of directors, suppliers, customers, government and communities.

Our corporate governance practices encompass every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure.

CORPORATE GOVERNANCE

The Senior Executives

Senior Executives has 5 members, draw from careers in business Finance and Legal.

Board of Advisors

Board of Advisor has 4 members, draw from careers in business and journalism

Board of Executives

Board of Executives has 4 members, draw from careers in Busines and Journalism

CORPORATE GOVERNANCE

Head Structure

Senior Executives has three standing head: the Corporate Controller Head, the Treasury and Administration Head and the General Counsel Head. Each head is composed entirely if independent Executive Vice President and Vice President.

Committee Structure

Three standing committees: the Audit and Finance Committee, Human Development Committee, the Nominating and Governance Committee.

HEALTH & SAFETY

1. **Media Group** providing annual program that promote the prevention of disease and encourage healthy lifestyles choices
2. **INDOCATER**, specializes in providing on-site catering, procurement and support services to onshore and offshore remote work sites across Indonesia. With over 30 years of experience providing quality food and hospitality services to large groups of people in all sorts of environments. Our expertise runs from factory plants to oil and gas operations. We always strive to provide the safest work environment no matter what part of the remote area we operate in. We have completed Environmental, Health and Safety Management System (EHS MS) by aligning with ISO 14001 standard.
3. **INDOCATER** – business unit operations with high risk workplace marked an outstanding achievement of 35,8 million hours without lost time accidents.



of employees
completed
medical check-up



24%

female employees
completed early
breast cancer test



90%

employees
completed heart-
cardio test



90%

employees
completed vision
exams



60%

employees
get new
eyeglass

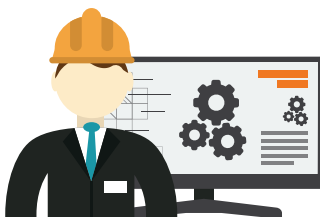




0%

- Recordable incidents that required time of work
- Incidents of discriminations
- Grievances filed about human rights impacts
- Number of Employee under the age of 18.

WORK ENVIRONMENT



1. Media Group ensured developed human resources through internal training as well as central and local and on-campus recruitments. Recruiting process and training programs are to select the best candidates in a competitive job market. The skill tests administered during the recruitment process and training timelines.
2. Media Group organized training courses and execution trainings to improve the overall quality of staff.
3. Metro TV co-organized training courses with Prasetya Mulya Business School, cultivating the skills of the management team and key personnel.
4. We host several events throughout the year including religion events to boost morale and foster a sense of brotherhood and diversity. We hosted Friday Prayer, weekly Christian masses, “buka puasa” (breaking the fasting) and evening prayer during the holy month of Ramadhan, Eid Al-Adha, Eid Al-Fitr Day and sports day.

EMPLOYEE BENEFITS AND FAIR TREATMENT



Media Group regulates compensation and benefits system on working hours, wages, annual bonus, health insurance and leaves in our regulation about working time.

Media Group set benefits and employee options support to quality and affordable medical care for employees and their dependents.

Media Group offers bonuses to employees that achieve perfect attendance and incentives to employees who achieve work targets

10665

TOTAL WORKFORCE

1866

MANAGEMENT
POSITION

occupied by women

17%

MANAGEMENT
POSITION

occupied by women



116


NUMBER OF
management positions

1.253

Employees attending training
in 2017

714

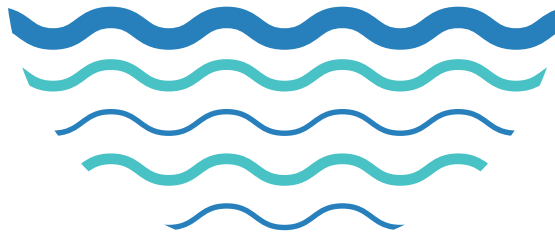
Total hour trainings
& courses in 2017



Media Group continues to integrate sustainable business practices into decisions about our operations, technology investments, travel options, trainings and more. We are to be proactive in our environmental efforts. We are developing and implementing environmental friendly processes.

Media Group have taken precautionary measures to decrease environmental footprint by consolidating office space, encouraging the use of public transportation or car pool, communication by internal mail and group chat, digitalizing archives, online document-sharing and implementing recycling policy.

ENVIRONMENT



WATER

Today we are consuming more than 3 million m3 of freshwater of reclaimed and industrial water in 2018.

What we plan to do in 2019 is continue to look for opportunities to reduce water use, and increase recycling at our facilities and sites

ENERGY



Today we are consuming and use almost 1,34 million kilowatts of energy across our facilities and projects across Indonesia, a 1% reduction from 2017-2018 baseline.

What we plan to do in 2019 is continue to identify opportunities to improve energy performance through behavioral change initiatives.

WASTE



We are consuming office paper by 5,1 tons, a 0,9% reduction from 2017-2018 performance and recycling of 3 tons.

We are consuming newspaper (industrial) of 3,4 tons and recycling of 370 tons.

What we plan to do in 2019 is focus on establishing a quantitative waste reduction, diversion or recycling target. And for newspaper waste, we will prioritize opportunities for reuse or resale of excess inventory.

COMMUNITY



Media Group maintains a tradition of giving back to our communities. We are building the corporate responsible culture and awareness within our people and gaining commitment from all key stakeholder.

COMMUNITY



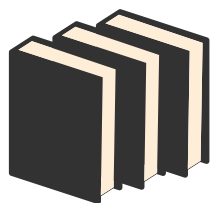
What we invest in our communities

Kick Andy Foundation and initiatives donators has accumulatively donated a total approximately Rp. 4.963 millions for 781 beneficiaries

Media Group Foundation has accumulatively donated a total approximately Rp. 1.898 millions for 916 beneficiaries

Metro TV's signature corporate philanthropy program strategically invests in community journalism program. Our support leverages our people, products and services to identify and develop a pipeline of future storytellers and talents.

COMMUNITY



10450

Books for elementary
schools



440

Balls

COMMUNITY



644

Pair of prosthetic
legs



916

Eyes -
cataract surgery

NATURAL DISASTER

Since 2004, on national scale, Media Group focuses on humanitarian activities with a wider range of activities. Media Group covers from emergency responses to rebuild on the area affected by natural disaster.

Media Group is supported by public donors (private and corporate) who have a great concern in humanity and also by company and non-government organizations participations through partnership programs. As a part of its financial accountability, Media Group provides financial reports to donors and other stakeholders, which has been audited by PWC Indonesia.

*August 2018 Indonesia's Disaster Agency said more than 560 people were dead and 445 thousand more injured after earthquake struck in Lombok and Mataram area, and 149.706 of houses damages including public facilities.

*September 2018 Indonesia's Disaster Agency said more than 2180 people were dead and 62 thousand more injured after earthquake, tsunami and liquefaction struck in Palu, Sigi and Donggala area, and 62.359 of houses damages including public facilities.

NATURAL DISASTER

*December 2018 Indonesia's Disaster Agency said more than 454 people were dead and 41 thousand more injured and refugees after earthquake and tsunami struck in Pandeglang, Serang, South Lampung and Tanggamus regencies, and 66.106 of houses damages including public facilities.

NATURAL DISASTER

Lombok & Mataram Area

Total fund disbursement: Rp. 18.782 millions

Activities:

Emergency responses (food and drinks packages, toiletries) for 151 villages

1300 Temporary shelter

1 Psychosocial community development & trauma healing centre

Reconstruction of 6 (six) primary schools

Palu, Sigi & Donggala

Total fund disbursement: Rp. 16.948 millions

Activities:

Emergency responses (food and drinks packages, toiletries) for 117 villages

1381 temporary shelter

NATURAL DISASTER

12 emergency schools (1579 students)

55 public toilets

Rebuild of 9 transitional classroom /learning centre

In 2019: Reconstruction of 3 (three) primary schools

Pandeglang, Serang, South Lampung & Tanggamus

Total fund disbursement: Rp. 663 millions

Emergency responses (food and drinks packages, toiletries) for 11 villages

Mitigation plan workshop for 100 teachers

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UN GLOBAL COMPACT REPORTING INDEX

As a United Nations Global Compact signatory, Media Group has integrated ten principles into our business practices.

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Compliance, Ethics & Anti-Corruption Statement

Media Group upholds the strongest commitment to meeting all of our legal, regulatory, and contractual obligations. Beyond ensuring compliance with all government mandated regulations, Media Group adheres to many voluntary codes promoting ethical business practices.

In 2015-2016 reporting period, Media Group and its business units had zero (0) of sanctions, fines, or legal disputes or actions for non-compliances with environmental regulations, product-use regulations, health and safety codes, journalism code of ethics, or anti-competitive behavior.

Within all Media Group business units operations, our core values promoting honesty, integrity, and transparency are actively executed and processes are designed to eliminate the opportunities for corrupt practices. Our Code of Ethics guides all business transactions and stakeholder interactions.

Reinforcing our commitment to anti-corruption and ethical practices across our supply chain, Media Group participates in programs designed to promote anti-corruption and transparency through adherence to practices governing security, customs, and fiscal responsibilities.

REPORT PROFILE

REPORT PERIOD

January – December 2017

DATE OF MOST RECENT PREVIOUS REPORT

We last printed our corporate report in November 2016

REPORTING CYCLE

Media Group will report biennial

THE CONTACT POINT

Lisa Luhur Schad
Sr. VP, Chief CSR Officer

Disclaimer

The contents of this report are correct to the best of our knowledge, information, and belief. The data contained herein is for informational purposes only. It is not represented to be error-free, and is subject to change.



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