



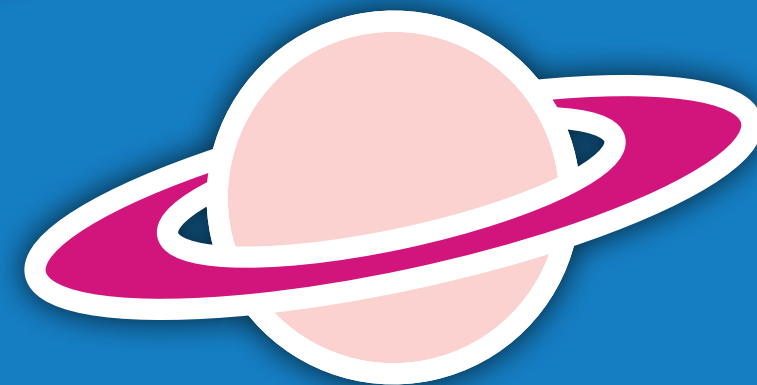
NUTRICIA



NUTRICIA  
Advanced Medical Nutrition

# DANONE SPECIALIZED NUTRITION INDONESIA

Sustainability Report 2019-2020





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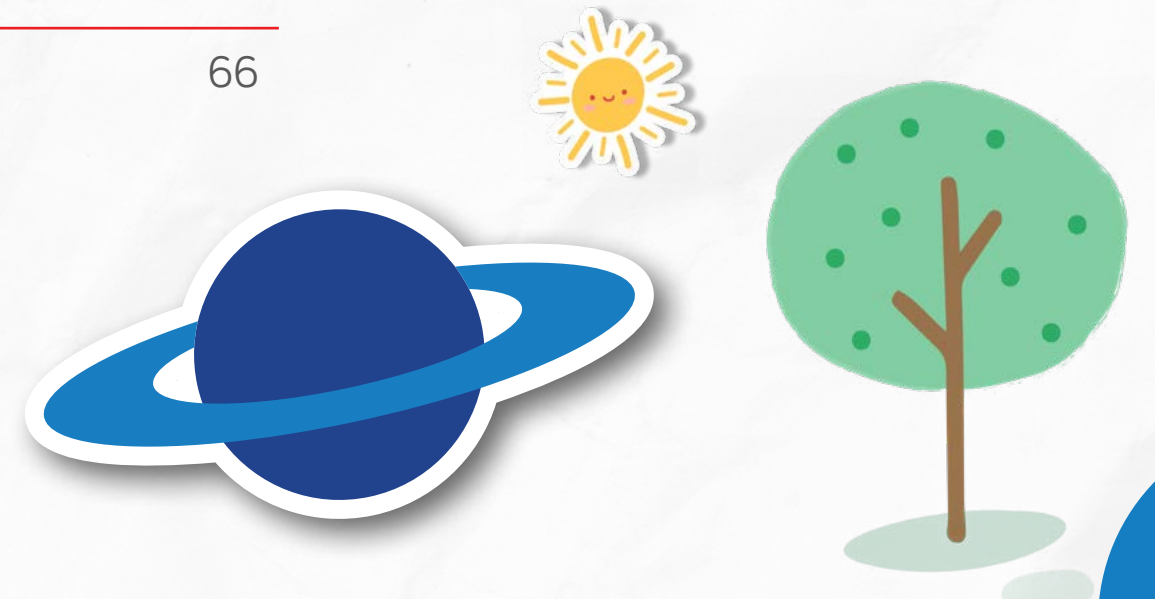
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# PRESIDENT DIRECTOR MESSAGE

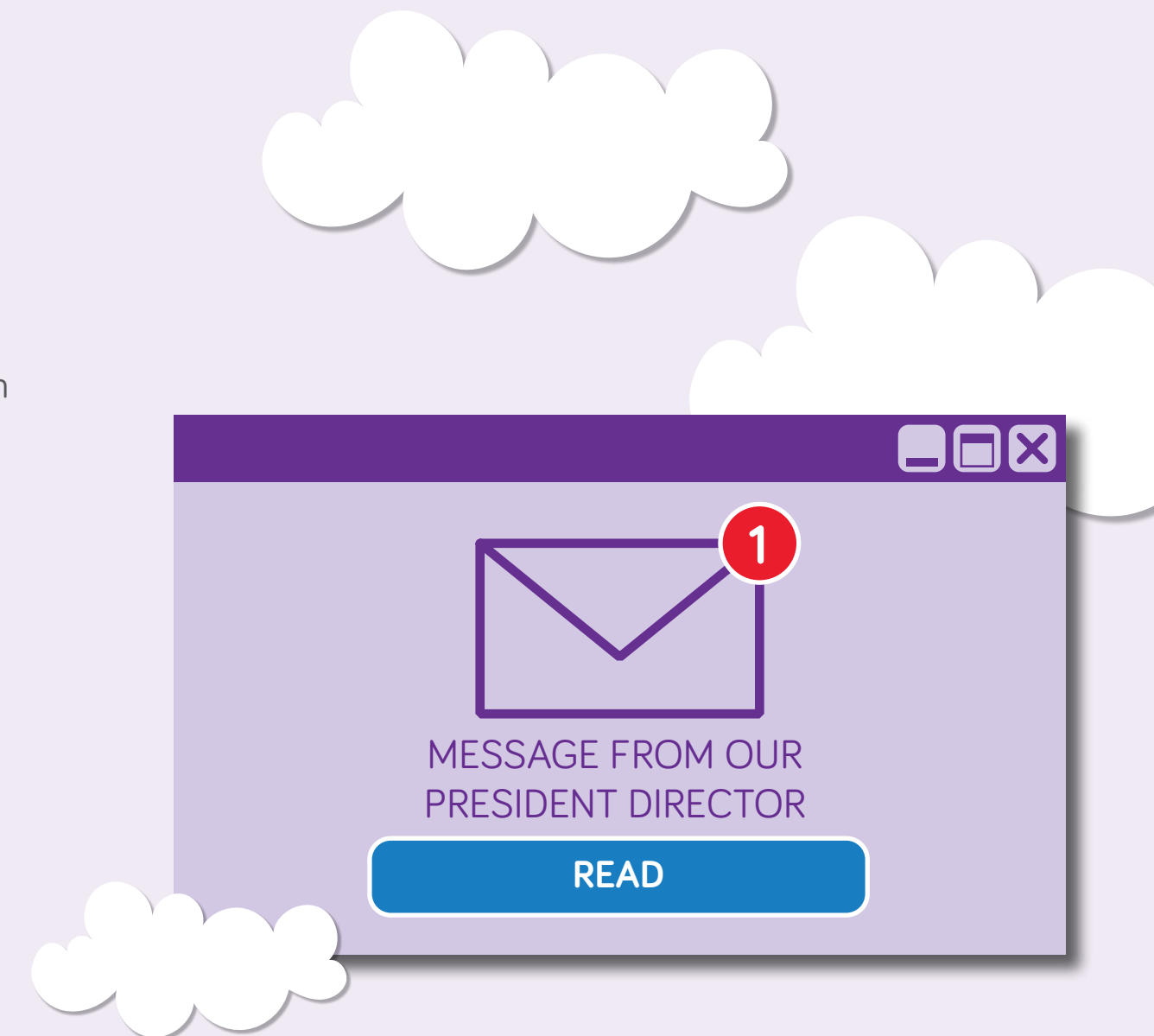
Dear Respected Stakeholders,

**We are pleased to present our 2019-2020 Danone Specialized Nutrition (SN) Indonesia Sustainability Report. 2020 has transformed nearly every aspect of our world, marked by the Covid-19 crisis. In this challenging moment, Danone SN Indonesia continued to benefit society throughout the reporting period. The report summarises our efforts and accomplishments during the year as part of our continued commitment to contributing to our goal, One Planet One Health.**

Nutrition is a critical part of health and development. From early life, it becomes the fuel to our optimum growth and development that supports our healthy body for the long run. It enables us to fight for our goals in the future. At Danone, we genuinely believe in the power of nutrition to transform lives, to make a positive and proven difference to health. We believe that providing health through food is our shared responsibility, which aligns with our goal of providing nutrition to critical stages in life, especially for the first 3,000 days of life.

We believe that no child in Indonesia should be left behind because of a lack of access to nutrition or education. According to *Riset Kesehatan Dasar* (2018), the stunting in children due to chronic malnutrition was 30.8%, while severe malnutrition and nutritional deficiency were 17.7%. Therefore, we support children's healthy development through a scientific approach, our expertise since the beginning. We conduct rigorous research and development to ensure the needs of infants and their mothers are fulfilled with our products. In 2019, we launched the Danone Nutricia Research Sarihusada R&I Center inauguration, an international level research center in Danone SN Indonesia Yogyakarta unit. We also collaborate with multi-stakeholders through the Bersama Cegah Stunting Program. We took the initiative to sign a Memorandum of Understanding (MoU) with various ministries, such as the Ministry of Village, to encourage the program's replication in other areas.

In 2020, we encountered hardships that no one has ever faced, just like everyone else globally. Still, we remained united to overcome all obstacles. The work we do and the products we provide are essential for our consumers and a huge factor in maintaining nutrition for a healthier Indonesia. Never has our 'One Planet One Health' vision been more meaningful, and never has our contribution as a leading food company in the world been more precise. We need to stand by people and deliver our mission to bring health as much as possible through food.





We responded quickly to the pandemic by prioritising the safety and health of our employees and maintaining business continuity. We focused on improving employee safety procedures and strengthening our system digitisation. In addition, to help overcome the impact of the pandemic in Indonesia, a series of social contribution activities are focused on helping the health, education, and economic resilience of the community. We collaborated with our retailer partners to distribute 1,000 laptops to underprivileged children in 10 cities and offered nutrition support for the families of 20,000 ride-hailing app drivers highly affected by the pandemic. Until 2020, Danone Indonesia committed to help Indonesia combat the COVID-19 pandemic, reaching a total of 30 billion rupiahs.

Our employees remain a core asset for the Company. We dedicate ourselves to supporting women's rights and gender equality, which has led to more sustainable progress and inclusive prosperity. We continue to provide a safe and healthy work environment and provide them with opportunities to develop skills and careers. In 2019, Danone Indonesia Received the Award for Best Companies to Work for in Asia 2019 organised by HR ASIA. We also have One Person One Voice One Share, a program for employees to engage actively and shape the future towards the Danone 2030 Goals.

As we strive to build a better future, we remain committed to using an efficient production system to achieve sustainable consumption and production. Our seriousness in realising sustainability is reflected in our movements, Preserve and Renew the Planet's Resources. In all products, we make every effort to optimise resources and make the most of the waste we

generate to minimise their impact to the environment and provide added value. To protect biodiversity and as part of our efforts to reduce climate change, during the reporting period we have built biodiversity parks in two locations with a total area of 24 hectares. As part of the Danone Group, we participate in a global program that implements a carbon-positive strategy and carbon neutrality targets by 2050.

We continuously work to empower our communities through programmes that aim to develop health and nutrition, early childhood education, local economic development, empowerment of women, and aid natural disasters. We relentlessly educate the communities on the importance of health and nutrition and fight for equality through women's empowerment. Our programmes, such as Stunting Prevention Program, Isi Piringku, Generasi Sehat Indonesia (GESID), Taman Pintar, Bunda Mengajar and Duta 1000 Pelangi are examples of our contribution to supporting the community.

This report is our opportunity to share our journey towards sustainability, which reflects our steps to bring a more positive impact for Indonesia. The report also conveys our responsibility in realising our dual mission of social and business. We hope that our journey can inspire internally and externally to partners and join the movement for a better and healthier future. We will continue to step up in other areas to respect the nature, the people, and the life that we have through our products and activities. Let's stay healthy and continue to support one another for a better life.

**Connie Ang**  
President Director  
Danone Specialized Nutrition Indonesia





# HIGHLIGHT

Our products are based on ongoing research and innovation by our experts to provide the best nutrition for the children in Indonesia

We educate:



Moms



Communities



Health Professionals

across Indonesia about the importance of nutrition, especially in the first **3,000 days of life**

We embrace Inclusive Diversity. We have a diverse ratio of

**40%**

female employees

**60%**

male employees

Building a conservation and tourism-based park in Indonesia at

**2**

different locations

with a total area of

**24 Ha**

Deliver the support of **30 Billion Rupiahs** for COVID-19 relief in Indonesia

We are a family-friendly company that provides employee **maternity and paternity leave**



**6 Months** maternity leave



**10 days** paternity leave





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- ☑ Our Journey
- ☑ Our Operation
- ☑ Our Products
- ☑ Organisational Structure
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# ABOUT DANONE SPECIALIZED NUTRITION IN INDONESIA



## About Our Company

[GRI 102-1, GRI 102-2, GRI 102-4, GRI 102-7, 102-16, 102-45]

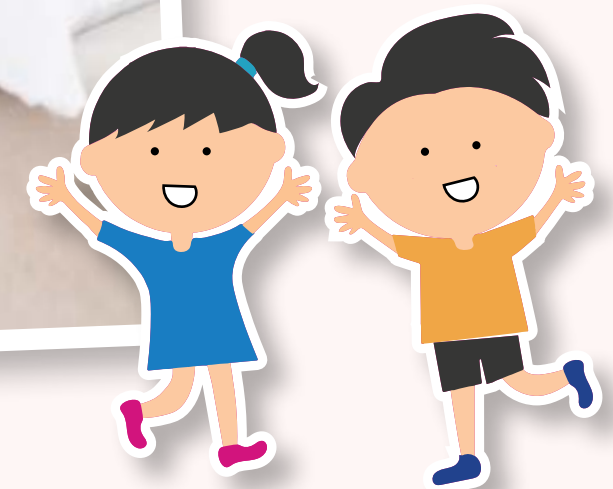
**D**anone is a leading food and beverage company operating in 120 countries focusing on three business lines: Specialized Nutrition, Essential Dairy and Plant-Based and Water. Danone Specialized Nutrition (SN) Indonesia is a part of Danone Global and focuses on nutrition provision in Indonesia inspiring a healthier Indonesia and more sustainable food and beverage consumption behaviour.

### Danone SN Indonesia Mission

Danone SN Indonesia is your first choice for good health and well-being at essential times of life. We achieve this through innovative nutritional solutions, rooted in science, and acknowledged by health leaders.

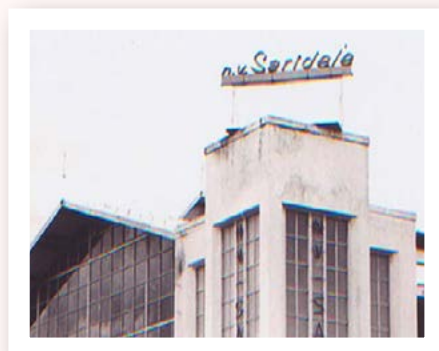


Our business category consists of Early Life Nutrition (ELN) and Advanced Medical Nutrition (AMN). Both focus on research and science-based nutrition to provide health sustenance through food for Indonesia for those in need, be it pregnant women, children, or children with special nutritional needs.





## Our Journey



Saridele was founded in Yogyakarta, based on Government and UN initiatives

SGM products were launched

Saridele changed its name to PT Sarihusada

Sarihusada started the Milk Quality Improvement programme

Numico acquired majority of Shares

PT Sarihusada became part of the Danone Group

Danone Group acquired Royal Numico

Change of name to PT Sarihusada Generasi Mahardhika

### History of Sarihusada

1954

1965

1972

1991

1998

2007

2008

2012

### History of Nutricia

1896

Kindermilk, the first milk formula for toddlers, was produced by Martinus and Jan van der Hagen

1906

The van der Hagens began to use the name Nutricia

1946

Nutricia opened its first research centre

1987

PT Nutricia Indonesia Sejahtera (NIS) is established

1989

PT NIS operated its factory in Ciracas, East Jakarta

2007

Nutricia was acquired by Danone Group

2011

PT NIS launched an educational support programme on Early Life Nutrition (ELN)

2012

PT NIS launched the Sugizindo Sustainable Development programme in Sentul, Bogor



### History of Nutricia Medical Nutrition

2009

Nutricia Medical Nutrition (NMN) was established in Indonesia

### History of Danone SN Indonesia

PT. Sarihusada Generasi Mahardhika, PT Nutricia Indonesia Sejahtera and PT. Nutricia Medical Nutrition joined as part of Danone SN Indonesia's business group

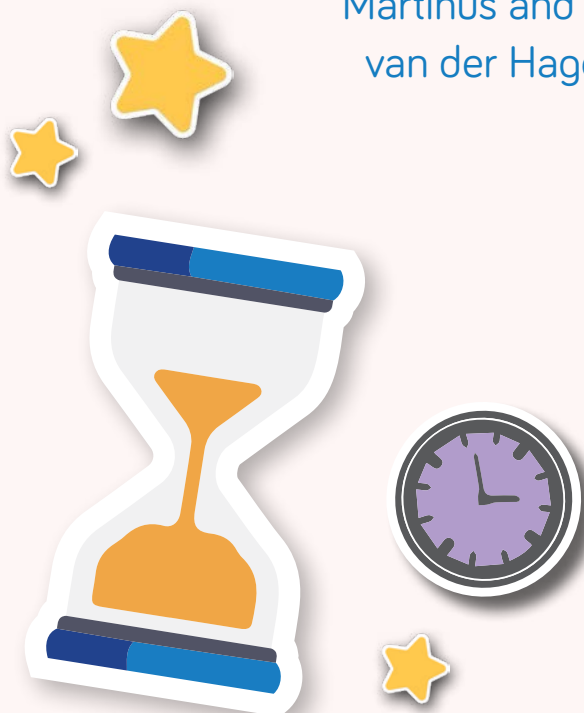
2018

An international level research center, Danone Nutricia Research Sarihusada R&I Center, was launched in the Danone SN Indonesia Yogyakarta unit

2019

Established the first allergy risk screening in Indonesia, Allergy Risk Screener by Nutriclub

2020















# Our Operation

[GRI 102-2, GRI 102-4, GRI 102-7, GRI 102-8]

Reflecting on our firm belief that the health of the people and the planet are interconnected, we are committed to operating in an efficient, sustainable, and responsible manner.

Danone SN Indonesia operates through 4 companies, namely PT Sarihusada Generasi Mahardhika, PT Nutricia Indonesia Sejahtera, PT. Sugizindo, and PT. Nutricia Medical Nutrition. Headquartered in Jakarta, Danone SN Indonesia operates 4 factories and 31 regional offices spread throughout Indonesia, supported by 2,458 employees.

## Total number of employees by gender

Permanent		Contract	
2018			
			
1,703	570	63	32
2019			
			
1,691	555	81	34
2020			
			
1,720	572	133	33

### Regional Offices

Employees	Permanent	Contract
2018	567	3
2019	561	0
2020	577	0

### Headquarter

Setiabudi, Jakarta Selatan

Employees	Permanent	Contract
2018	359	26
2019	891	34
2020	934	41



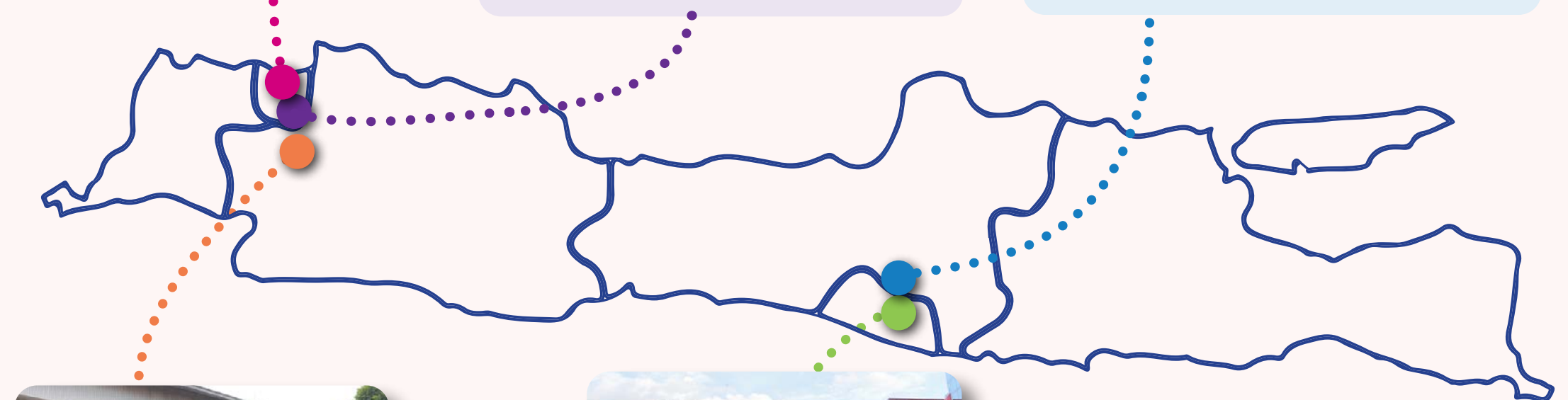
**PT Nutricia Indonesia Sejahtera Factory**  
Ciracas, Jakarta Timur

Employees	Permanent	Contract
2018	320	23
2019	332	21
2020	333	24



**PT Sarihusada Generasi Mahardhika Factory**  
Prambanan, Klaten

Employees	Permanent	Contract
2018	697	11
2019	686	13
2020	682	20




**PT Sugizindo Sentul Factory**  
Citeureup, Bogor

Employees	Permanent	Contract
2018	85	16
2019	85	37
2020	95	71



**PT Sarihusada Generasi Mahardhika Factory**  
Umbulharjo, Kota Yogyakarta

Employees	Permanent	Contract
2018	246	19
2019	252	10
2020	248	10

Our products are available in all provinces of Indonesia and exported to 18 countries worldwide, such as Malaysia, South Africa, Australia and others

\*) All employees who work in offices and factories are full-time employees of Danone SN Indonesia.



## Our Products

[GRI 102-2, 102-6]

Through our extensive research and development, we implement the latest technology to produce quality products with proven hygiene and credibility whilst following applicable regulations.

Our products are marketed throughout Indonesia and abroad, manufactured to provide supplements for everyone; including pregnant women, children age 1-3 years, 3-6 years, 5-12 years, and children with special nutritional needs.

We have 3 well-known brands, namely:

### SGM Eksplor

Since 1954, SGM has helped meet the nutritional needs of mothers, children, and families in Indonesia, supported by experts from the Sarihusada Research Center.

SGM Eksplor is specially formulated to provide Indonesian children nutrition for optimal growth, development and advancement.



### Bebelac

Bebelac helps children to grow (intelligent, brave and having a soft heart) so that children can spread kindness and happiness to others.

### Nutrilon Royal

Nutrilon Royal is built on over 40 years of experience in immunity research and is fully supported by science.

### Pregnancy Preparations, Pregnant Mothers and Breastfeeding

Breast milk is the best food for babies. Breast milk should be given exclusively for the first six months of the baby's life and is recommended until the child is two years old with appropriate complementary feeding.

Lactamil and SGM Bunda products support balanced preparation for pregnancy, pregnant and lactating women throughout the day. To satisfy taste preferences, we provide several flavors, namely chocolate, vanilla, and strawberry.

### Children

To support the nutritional needs of growing children, we formulate our products to fulfil the needs of children according to their growth development. To give a positive experience and to encourage children to drink milk, our products are available in several flavours.

#### Age 1-3



#### Age 3-6



#### Age 5-12





## Special Nutrition Needs

We have a range of products to fulfil the nutritional requirements of children with special conditions and needs, which are



### Bebelac Gold Soya and SGM Eksplor Soya

Bebelac Gold Soya and SGM Eksplor Soya are formulated to provide nutrition for children with cow's milk protein allergy and/or unable to digest protein from dairy products..



### Nutrinidrink

Nutrinidrink\* is Nutricia's breakthrough high-energy drink to fulfil nutrition and regulate diet for children with faltering growth..



### Neocate Advance

Neocate advance\* is a hypoallergenic amino acid-based formula developed for children suffering from food allergies.



### Nutrilon Royal Prosyneo

Nutrilon Royal Prosyneo is the first and only partially hydrolyzed (PHP) formula with SYNEO patented for children with a history of sensitivity.

\*) The product must be used based on recommendation by Medical Doctor

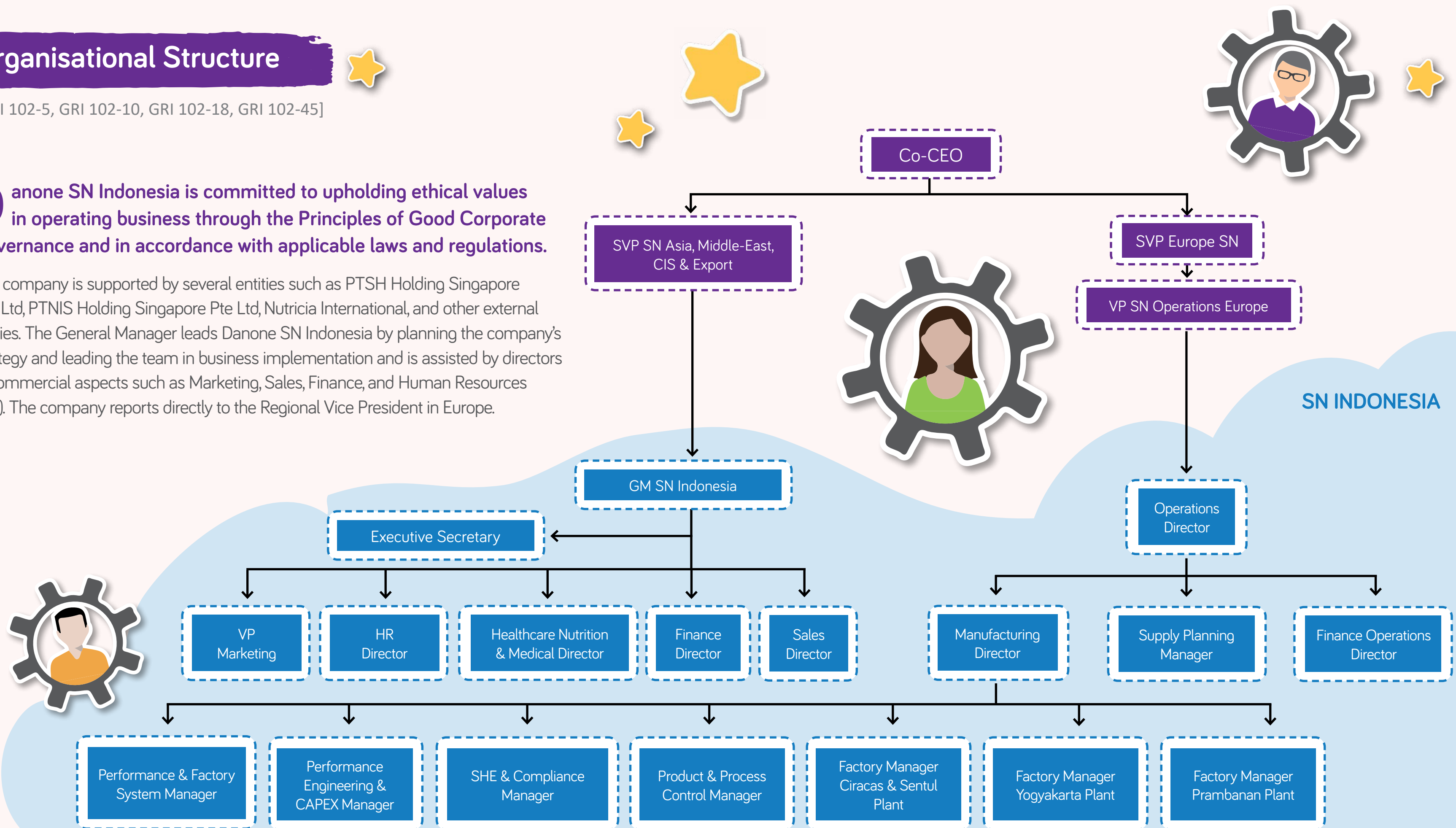


# Organisational Structure

[GRI 102-5, GRI 102-10, GRI 102-18, GRI 102-45]

**D**anone SN Indonesia is committed to upholding ethical values in operating business through the Principles of Good Corporate Governance and in accordance with applicable laws and regulations.

Our company is supported by several entities such as PTSH Holding Singapore Pte. Ltd, PTNIS Holding Singapore Pte Ltd, Nutricia International, and other external parties. The General Manager leads Danone SN Indonesia by planning the company's strategy and leading the team in business implementation and is assisted by directors in commercial aspects such as Marketing, Sales, Finance, and Human Resources (HR). The company reports directly to the Regional Vice President in Europe.



\* There is no significant changes to the organisation and its supply chain throughout the reporting period

## Good Corporate Governance

[GRI 102-11, GRI 419-1]

**We maintain our commitment to implementing a good governance system to achieve our vision and mission. Good governance is reflected in transparent, fair, timely, and effective decision making throughout our operations.**

We continuously improve performance across all operations and implement sustainable business practices to contribute to the Sustainable Development Goals. We identify performance indicators to measure our strategy. Presently, we are focused on building our 2025 vision and commitment. During the reporting period, we remained compliant with environmental, social and economic regulations and laws.

### Leadership Vision

Danone SN Indonesia actively invites and involves all employees to act as leaders through the CODES program (Creates, Opens, Drives, Empowers, and Self-aware), which are leadership values implemented by Danone-SN Indonesia



## CODES



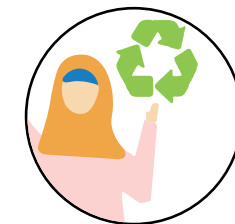
### CREATES A MEANINGFUL FUTURE

Danone SN Indonesia is the right place to make changes and breakthroughs because our culture encourages initiative and empowerment.



### OPEN CONNECTIONS INSIDE AND OUTSIDE

We are always open to new thinking and fresh perspectives by networking, interacting, and building trust at all levels.



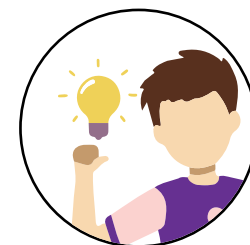
### DRIVES FOR SUSTAINABLE RESULTS

Our culture and values emphasise the importance of sustainability for Danone, consumers, and communities. We make decisions for the well-being of all stakeholders.



### EMPOWERS ONESELF AND DIVERSE TEAMS

Employees are empowered through engagement and delegation, trust, and constructive feedback. They can express their uniqueness while achieving shared performance.



### SELF-AWARE

Seeking feedback, understanding strengths and personal development needs are essential tenets for Danone SN Indonesia employees.



## Integrity Policy

[GRI 205-2]

**We apply zero-tolerance against bribery and corruption. We have stringent sanctions for all employees as bribery and corruption can damage economic and social development.**

Danone SN Indonesia has actively communicated and provided training on anti-corruption policies to all internal and external stakeholders. In the previous reporting period, we did not differentiate between communication and training activities, so in 2019 & 2020, we made improvements to data management with better reporting. Details of anti-corruption communication and training are as follows:

### Communication

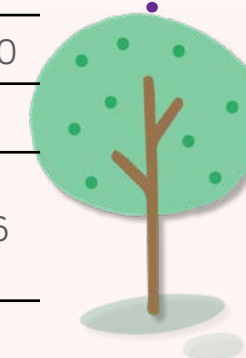
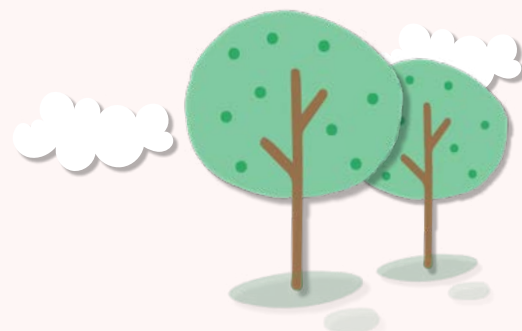
Employees who received anti-corruption communications by region						
Region	2018		2019		2020	
	Total	%	Total	%	Total	%
Ciracas Unit	2018 Communication and training data were integrated		352	100	356	100
Headquarter			317	100	351	100
Prambanan Unit			699	100	702	100
Region			559	100	577	100
Sentul Unit			121	100	166	100
Yogyakarta Unit			258	100	255	100

Internal and external stakeholders who received anti-corruption communications	2018		2019		2020	
	Total	%	Total	%	Total	%
<b>Internal - Employees</b>						
Executive Committee - Governance body	12	100	10	100	9	100
Director - Governance body	3	100	7	100	10	100
Manager	380	100	357	100	400	100
Supervisor	353	100	381	100	377	100
Staff	156	11	1,551	100	1,611	100
<b>External - Business partners</b>						
3 <sup>rd</sup> parties (i.e. distributors, suppliers, marketing agents, transportation agents, etc.)	2,112	47	2,207	51	2,163	46

### Training

Employees who received anti-corruption training by region						
Region	2018		2019		2020	
	Total	%	Total	%	Total	%
Ciracas Unit	97	26	221	63	356	100
Headquarter	361	100	141	44	349	99
Prambanan Unit	109	16	427	61	697	99
Region	195	33	355	64	577	100
Sentul Unit	46	63	76	63	142	86
Yogyakarta Unit	96	40	135	52	251	98

Internal and external stakeholders who received anti-corruption training	2018		2019		2020	
	Total	%	Total	%	Total	%
<b>Internal - Karyawan</b>						
Executive Committee - Governance body	12	100	352	100	356	100
Director - Governance body	3	100	317	100	351	100
Manager	380	100	699	100	702	100
Supervisor	353	100	559	100	577	100
Staff	156	11	121	100	166	100
<b>External - Business partners</b>						
We have not conducted training to 3 <sup>rd</sup> Parties (i.e. distributors, suppliers, marketing agents, transportation agents, etc.)						



Integrity Policy gives guidance for employee to act in compliant manner and with integrity at all times. Integrity Policy includes anti bribery and anti corruption policy of Danone.

1. Bribery and Corruption
2. Gifts and hospitality with third parties
3. Sponsorship and donations
4. Engagement with government officials
5. Advocacy
6. Money laundering
7. Conflicts of interest
8. Third party vetting
9. Fraud
10. Raising a concern



## Precautionary Principles

[GRI 102-11]

Danone SN Indonesia applies the precautionary principles approach in keeping the company's operations in line with applicable regulations, governance, and standards set by the Danone Group.

### DANGO : Operational Governance related to finance

In implementing comprehensive corporate governance, we refer to the Danone Governing and Operating Process (DANgo). DANgo is Danone's Governance and Operations Process that handles financial and operational compliance risk, including Danone's standard operational and financial macro processes such as Resources, Sales, Operations, HR, Finance, IS & IT and Legal.

### VESTALIS: Risk Registration

The purpose of Vestalis is to map and monitor the risks of all functions. Identify strategic and compliance risks of all functions to define mitigation programmes and plans. TO risk identification is aligned with the mission and strategic objectives of the CBU, followed by an appropriate mitigation plan. Support early identification and mitigation for crisis management.

### WISE2 : Safety

Initiated under the name WISE by Danone in 2004, WISE is a worldwide program to significantly reduce workplace accidents by developing a health and safety culture in all locations.

### DANONE WAY: Danone's procedures for maintaining the Dual Mission, namely Social and Business

The Danone Way (DW) is Danone's iconic program to preserve Danone's dual economic and social projects as the company's unique DNA. Focusing on the key processes ('the how') identified as a means of realising Danone's mission in the local context, the Danone Way provides entities with guidance on a progressive framework of practice, measures progress, and supports target setting and improvement plans. The Danone Way became the reference tool used by local Leadership Teams and Danoners during business reviews to discuss strategic topics and assess local progress in implementing multiple projects.

Over the past 20 years, Danone has pursued sustainable growth in line with a progressive sustainability agenda. Danone adopted 'One Planet. The One Health framework of action establishes the 2030 Corporate Goals, which incorporate business goals and contributions to the United Nations Sustainable Development Goals (SDGs) into an integrated business sustainability plan.



## Sustainability Organisational Structure

**D**anone SN Indonesia is committed to operating and pursuing sustainability following the vision of One Planet One Health, where we believe that planetary health and human health are interrelated.

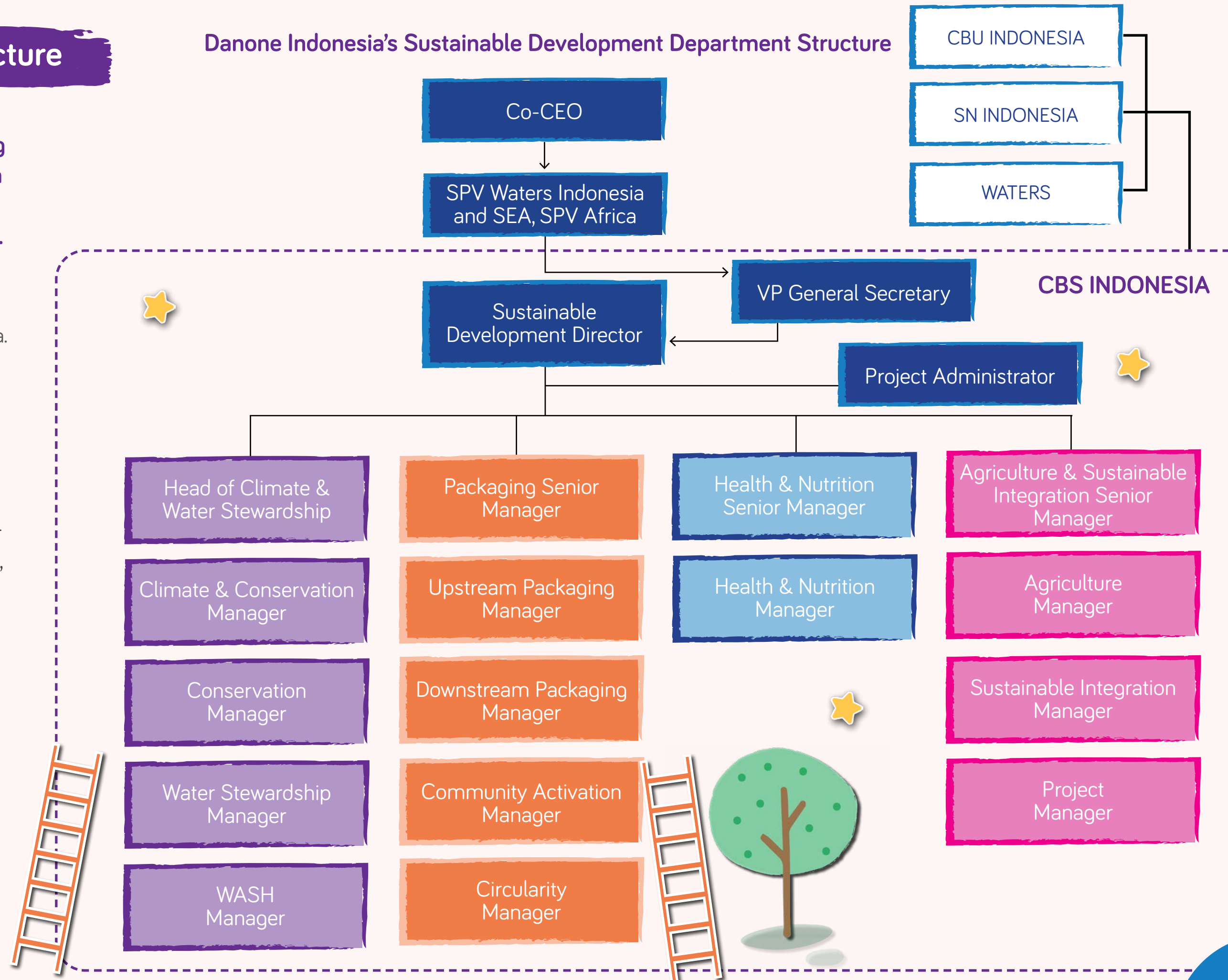
This commitment is realised through the Sustainable Development Department, within the General Secretary Division, Cluster Business Services (CBS) Danone Indonesia.

The roles and responsibilities of the Department of Sustainable Development include:

- Strengthening the company's initiatives in implementing the One Planet One Health mission, in line with the SDGs
- Providing education and expertise in the fields of water resource management, packaging waste management, and climate change mitigation
- Overseeing the implementation of community development programmes in the communities where the company's operations are located
- Integrate sustainability initiatives for promotion and communication to stakeholders

This structure represents the Danone Group's sustainability strategy and is translated into action plans within operational units.

### Danone Indonesia's Sustainable Development Department Structure



## Members of Association

[GRI 102-13]

**C**ontributing actively to society and developments in the industry, Danone SN Indonesia is a member of various associations and public forums.

Association allows Danone SN Indonesia to expand its network, provide experience, and act as a good partner for the community and the government, especially in the health sector through nutrition.



Gabungan Pengusaha Makanan dan Minuman Indonesia (GAPMMI)



Asosiasi Perusahaan Produk Bernutrisi untuk Ibu dan Anak (APPNIA)



Asosiasi Perusahaan Sahabat Anak Indonesia (APSAI)



eurocham

European Business Chamber of Commerce (EuroCham)



Asosiasi Industri Pengolahan Susu (AIPS)



THE WORLD'S MOST VALUED BUSINESS INDONESIA

Most Valued Business (MVB)



Mitra Pangan, Gizi, dan Kesehatan Indonesia





## Awards and Certifications

[GRI 102-12]

### Awards



### 2019

- The Best Creative PR Program - Safe Food, Healthy Living from MIX Magazine
- Best Companies to Work for Asia for Danone Indonesia from HR Asia
- Gold Winner Opexcon 2019 Plant SGM Yogyakarta from SSCX International
- SGM Prambanan Factory Green Industry Certificate from the Ministry of Industry
- The 2019 BAPETEN Award for Nuclear Safety and Security at the Sugizindo Sentul plant from the Nuclear Energy Monitoring Agency
- Zero Accident Awards 2019 for NIS Ciracas factory, Sugizindo Sentul, SGM Prambanan, and SGM Yogyakarta from the Ministry of Manpower



### 2020

- Silver Winner PR Indonesia Award for Corporate PR Category - Talking about Nutrition
- Silver Winner PR Indonesia Award for Social Media PR Category - Danone Indonesia
- Bronze Winner PR Indonesia Award for Digital PR Category - Danone Blogger Academy
- Overall Winner of PR Indonesia Award 2020 for Private Company Category
- Gold Category Safety Culture Award Plant Yogyakarta from the World Safety Organisation (WSO)
- Gold Category Safety Culture Award for Prambanan Plant from the World Safety Organisation (WSO)
- Gold Category Safety Culture Award Plant Sentul from the World Safety Organisation (WSO)
- Zero Accident Awards 2020 for NIS Ciracas, Sugizindo Sentul, and SGM Prambanan factories from the Ministry of Manpower
- Award for Support for the Implementation of Employment Social Security for Vulnerable Workers DIY for the Yogyakarta SGM Plant from BPJS Ketenagakerjaan Yogyakarta
- Second Place in Compliance, Commitment to Digitisation and Social Security Concern Category: Large-Scale Business Entity for SGM Plant Yogyakarta from BPJS Ketenagakerjaan Yogyakarta
- Platinum Award TKMPN 2020 Plant SGM Yogyakarta by Wahana Kendali Mutu (WKM)
- Gold Award TKMPN 2020 Plant SGM Yogyakarta by Wahana Kendali Mutu (WKM)
- Platinum Award TKMPN 2020 Plant SGM Prambanan by Wahana Kendali Mutu (WKM)
- Gold Award TKMPN 2020 Plant SGM Prambanan by Wahana Kendali Mutu (WKM)
- Gold Winner Opexcon 2020 Plant SGM Yogyakarta by SHIFT Indonesia
- Gold Winner Opexcon 2020 Plant SGM Prambanan by SHIFT Indonesia
- Silver Award Asia Sustainability Reporting Rating 2020

### Certification

- ISO 9000
- ISO 140001
- Occupational Health and Safety Management System (SMK3)
- Occupational Health and Safety Assessment Series (OHSAS) 18000
- Hazard Analysis Critical Control Point (HACCP)
- ISO 22000
- FSSC 22000
- ISO 17025







- ☑ About This Report
- ☑ Reporting Content
- ☑ Stakeholder Engagement
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- ☑ Key Priorities and Topic Boundaries
- ☑ Danone Specialized Nutrition's 10 Commitment to Indonesia

# 2

## ABOUT THIS REPORT





## About This Report

[GRI 102-3, GRI 102-49, GRI 102-50, GRI 102-51, GRI 102-52, GRI 102-53, GRI 102-54]

**This Sustainability Report was prepared to communicate Danone SN Indonesia's commitment to supporting sustainable development through our activities relating to environmental social and economic conditions.**

Previously, we published a Sustainability Report in February 13, 2020 covering the reporting period January 1, 2017 to December 31, 2018. This Sustainability Report covers the reporting period January 1, 2019 to December 31, 2020. We publish our Sustainability Report bi-annually.

**The focus of this report is Danone SN Indonesia's operations covering the areas of Prambanan, Yogyakarta, Ciracas, and Sentul including the main office located in Jakarta**

This report has been prepared in accordance with the GRI Standards: Core option. We also use GRI's Food Processing Sector Guidelines for sector disclosure requirements.

GRI stands for Global Reporting Initiative. It is an international independent standards organisation that helps business, government and other organisations understand and communicate their impact on issues such as climate change, human rights and corruption.

Disclosure figures are included in the relevant sections of this report to improve readability and in the GRI Content Index provided as a list of disclosures at the end of this report.

In this report the term "Danone SN Indonesia/ Company/Us/We" refers to Danone SN Indonesia.

This report is published in Bahasa Indonesia and English and is available for download on [www.sarihusada.co.id](http://www.sarihusada.co.id) and [www.nutricia.co.id](http://www.nutricia.co.id).



We welcome any input and feedback from our stakeholders. We accept inquiries, recommendations and reviews as well as requests for information through written submission sent to Corporate Communications at our headquarters.

**Corporate Communication Departemen  
Danone Specialized Nutrition Indonesia**

**RDTX Place, 5<sup>th</sup> - 9<sup>th</sup> Floor.**

**Jl. Prof. DR. Satrio Kav.3,  
Karet Kuningan, Setiabudi, South Jakarta,  
12940**

**Email: [corporate.communicationID@danone.com](mailto:corporate.communicationID@danone.com)**

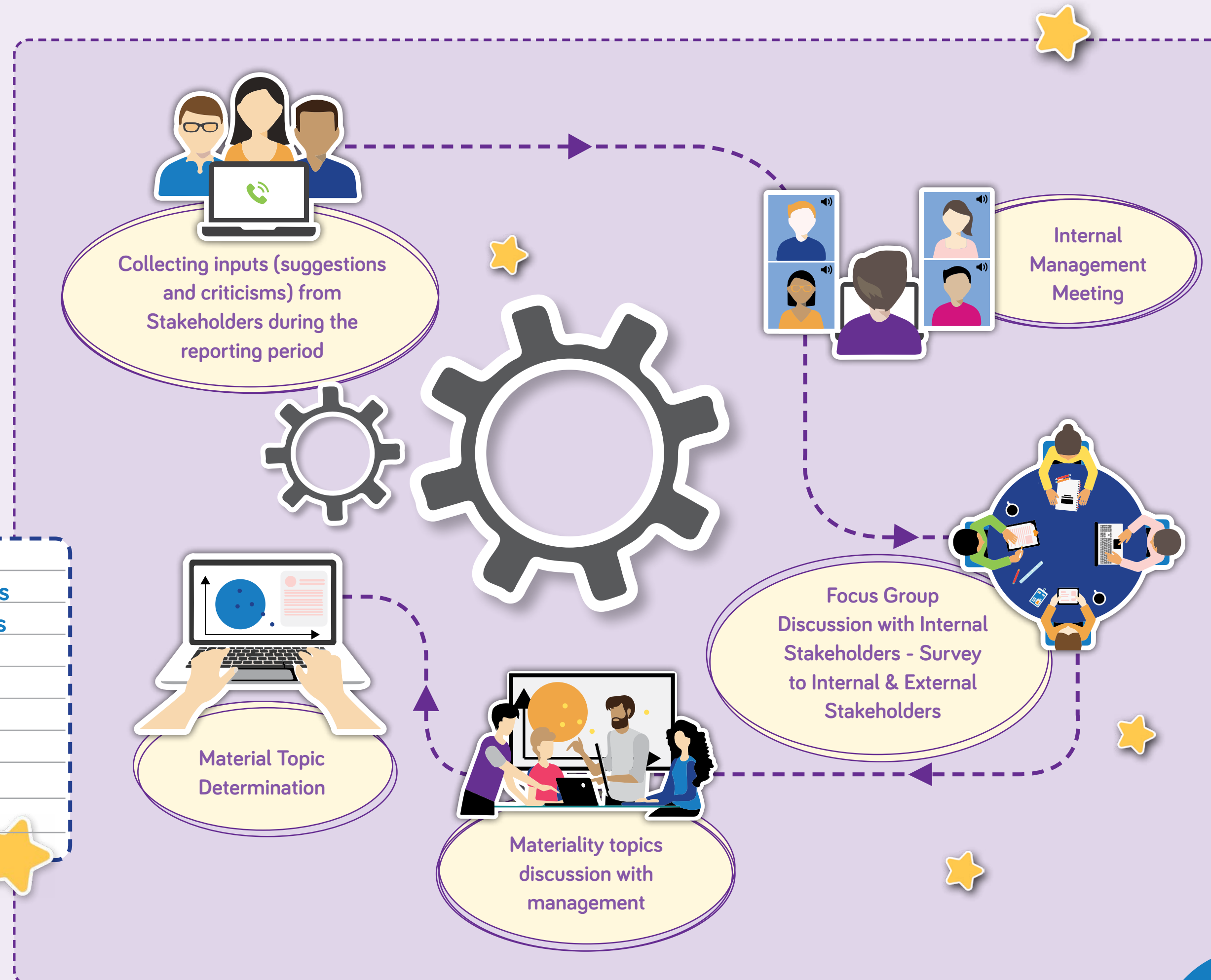


## Reporting Content

[GRI 102-42, GRI 102-46]

In the creation of this report, we applied the ten reporting principles to define the content and quality of the report. The four reporting principles that must be met when defining the content of the report are stakeholder inclusiveness, the context of sustainability, materiality and completeness. The quality of the report is governed by the six reporting principles of accuracy, balance, clarity, comparability, reliability and timeliness.

Our internal stakeholders consist of Board of Directors and management personnel, including representatives from each division of Danone SN Indonesia's operational management. Our external stakeholders are our customers, shareholders, government, employees, distributors, suppliers, corporate partners, press/media, associations, local communities, organisations and academics.





# Stakeholder Engagement

[GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-46]

In the midst of the current pandemic, we continue to communicate with our stakeholders to ensure that we can continue to live up to their expectations and express their interests. With the large-scale social restrictions implemented in various cities in Indonesia, we carry out various communication alternatives. These include online communication utilising digital technology to establish smooth communication and collaboration with all our stakeholders. Most of the meetings in 2020 were done through virtual online meetings.

Communication with our stakeholders is conducted continuously throughout the reporting period to support operational activities and reporting needs

- 
**Employees**  
 Every day, we communicate with employees in terms of business management, employee safety and welfare, capacity building, and activities that can increase the interaction of fellow employees through digital platforms and virtual gatherings.
- 
**Suppliers**  
 We maintain good relations with suppliers by holding discussions regarding various policies and supplier development programmes on an ongoing basis to produce competitive quality products.
- 
**Customers**  
 Customers can contact us 24 hours a day through various communication media, such as by telephone, website, email, social media and WhatsApp.
- 
**BPOM**  
 Every month, we communicate with BPOM for business registration and licensing, implementation of new regulations and product or trademark registration.
- 
**Local communities**  
 CSR program activities through training and development are carried out throughout the year by involving the surrounding community according to their needs.



- 
**Media, Press, and Community**  
 Together with the Media, Press and Community, we are active in providing education related to health and nutrition issues and engage in activities and campaigns by brands and companies as needed.
- 
**Provincial/Regional Government**  
 Together with the local Government, we are regularly coordinating CSR program related to Health & Nutrition including stunting. We also continue our engagement and advocacy program to ensure business operation in Covid-19 Pandemic.
- 
**Central Government**  
 We engage central government for Public Private Partnership program related to Stunting Prevention, Education Support, and Local Fresh Milk Supply Development through regular meeting.
- 
**Industry Associations and Organisations**  
 Through monthly meetings together with other private sectors, we collaborate in carrying out programs and advocacy in the industry associations.
- 
**Distributor**  
 We communicate regularly with Distributors regarding annual sales plans and evaluations.
- 
**Non-Governmental Organisations**  
 Every month, we are active in discussing CSR programmes with Non-Governmental Organisations.

## Careline

Through Careline services, our trained Careliners are ready to communicate directly with customers, including handling complaints (products, promotions and services), social interactions, follow-up requests, consultations, consumer surveys (behavior and preferences) and dissemination of information about activities and promotion. In addition, we are also proud that Careline can be trusted as a place to engage with Danone SN customers, especially during the pandemic. Careline provides a choice of services based on the type of product, namely SGM Customer Service and Nutricia Customer Service.

During the pandemic, Careline is focused on customers. In 2020, the intensity of our communication with customers increased to 170% compared to 2019.

### Sahabat Bunda Generasi Maju

**Telephone:**  
0800-136-0360  
(toll free)  
0804-136-0360  
(paidline)

**Generasi Maju WhatsApp:**  
0823-6036-0660

**Email:**  
carelinesgm@sarihusada.co.id

**Facebook:**  
Aku Anak SGM

### Bebecare

**Telephone:**  
0800-136-0360  
(toll free)  
0804-111-2233  
(paidline)

**Bebclub WhatsApp:**  
0821-2345-8383

**Email:**  
careline@bebeclub.co.id

**Facebook:**  
Bebclub Indonesia

### Nutriclub Expert Advisor

**Telephone:**  
0800-136-0360  
(toll free)  
0804-118-1818  
(paidline)

**Nutriclub WhatsApp:**  
0822-5858-1818

**Email:**  
careline@nutriclub.co.id

**Facebook:**  
Nutriclub Indonesia

24

hours a day, 7 days a week

via telephone, official website, email, social media, and WhatsApp.



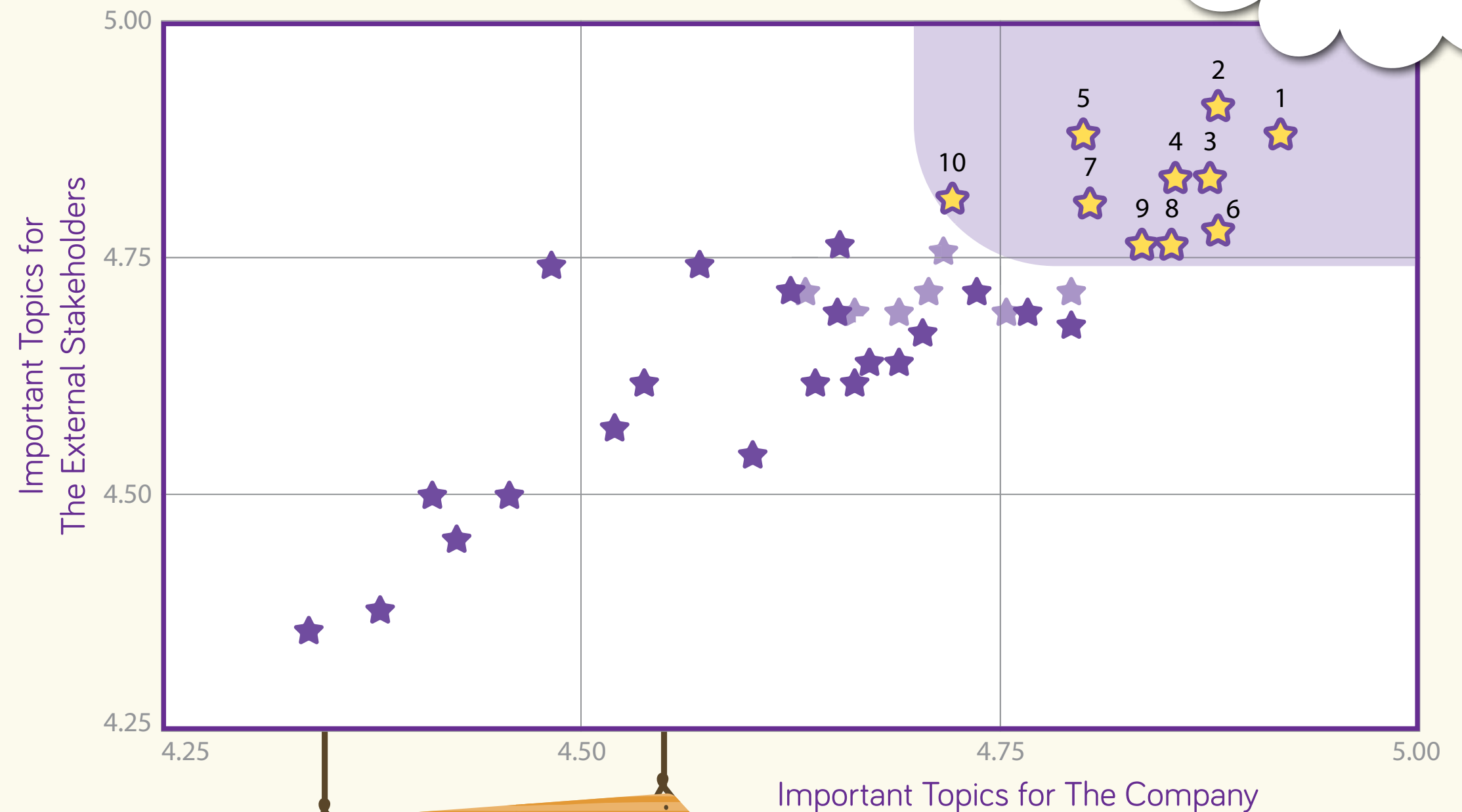


## Key Priorities and Topic Boundaries

[GRI 102-44, GRI 102-46, GRI 102-47]

This report was written in the midst of a worldwide pandemic caused by the Coronavirus. The rapid spread of the Coronavirus causing many fatalities has led the government to establish policies and actions to decrease the number of positive cases in Indonesia, such as through the Large-Scale Social Restriction (PSBB) policy or the mandatory use of masks. The World Health Organisation (WHO) also provided health advice to prevent virus infection.

The various new policies and restrictions have caused many challenges in carrying out our activities, such as limited transportation and direct contact avoidance in crowded places. This has resulted delays in some of the activities planned for 2020 and compelled us to adapt and maintain our operations while also abiding by the policies and restrictions.



TOP 10 Material Topic

- 1 Fair remuneration and benefits for employees
- 2 Has and follow a Code of Ethics (including an Anti-Corruption policy) in conducting business in a healthy manner and treating all parties ethically and professionally
- 3 Employee training
- 4 Hazardous waste treatment and disposal
- 5 Complete and unbiased product information and labels
- 6 Inclusivity and equality
- 7 Water consumption and efficient wastewater treatment
- 8 Products are processed according to safety standards
- 9 Product nutritional quality
- 10 Stunting and malnutrition prevention program

Danone SN Indonesia prioritises our workers' safety and health by implementing strict health monitoring for all workers. We provide personal protective equipment such as masks. We also created a system to control the number of workers in one place and monitored their health in order to avoid a clustered virus infection. We also strive to maximise technology usage in our activities and perform them virtually as much as possible.

Danone SN Indonesia's need to adapt to current conditions whilst fulfilling market demand affects the topics of this sustainability report. From the results of the materiality survey conducted for 200 internal and external stakeholders, there are 10 materiality topics that will be the focus of this reporting period.



We link each of these materiality topics to the GRI Standards. Each topic has its own impact on our supply chain. The impacts we report may be caused, contributed to, or linked with our business activities.

Caused by : ★ Contributed : ★ Linked to : ★

Material Topic	GRI Topic	Supplier	Operational	Consumer
Fair remuneration and benefits for employees	Employment		★	
Has and follow a Code of Ethics (including an Anti-Corruption policy) in conducting business in a healthy manner and treating all parties ethically and professionally	Marketing, Labeling, Communication, Anti-corruption, Diversity, Non-discrimination	★	★	★
Employee training	Employment		★	
Hazardous waste treatment and disposal	Waste	★	★	★
Complete and unbiased product information and labels	Marketing, Labeling, Communication		★	★
Inclusivity and equality	Non-discrimination, Ethics and Integrity		★	
Water consumption and efficient wastewater treatment	Water and Effluent		★	
Products are processed according to safety standards	Local Community, Customer Safety and Health		★	★
Product nutritional quality	Customer Safety and Health	★	★	
Stunting and malnutrition prevention program	Local Community		★	★



## Danone Specialized Nutrition's 10 Commitment to Indonesia

[GRI 102-16]

**A**t Danone SN Indonesia, we believe that providing health through food is not only a necessity but also our responsibility.



## Our Commitment

- 1 We are committed to provide healthy life through nutrition as the foundation of long term health.
- 2 We are committed to deliver the Quality of products and services in full compliance with Danone and applicable government and industry standards; from the conception of an idea and continuing throughout the whole product lifecycle up to the moment of consumption by our consumers.
- 3 We are committed to implement the Food Safety System built on HACCP principles in order to have robust food safety defense line and be proactive. We commit that our employees have adopted and apply our quality and food safety system based on our Pre-requisite Programme (PRP), Good Manufacturing Practices (GMP), Hazard Analysis & Critical Control Points (HACCP).
- 4 Ensuring consumer, customer, and stakeholder satisfaction through providing products that are safe, halal, and comply with Local & Danone SN quality & Food Safety standards.
- 5 We are committed to the principle of Zero Accident are achievable, the Occupational Diseases and environmental pollution are preventable through behavior changes and active involvement of all level and the responsibility of everyone in the company including contractors.
- 6 We are committed to continuously improving the safety, health and well-being of our employees and preventing environmental pollutions and protect natural resources from our operations.
- 7 We are committed to conduct business practices in a responsible manner based on applicable laws and regulations, including but not limited to Government Regulations on Exclusive Breastfeeding and relevant regulations and Danone Policy on Marketing of Breastmilk Substitutes.
- 8 We are committed to support the World Health Organization (WHO) recommendation calling for exclusive breastfeeding for the first six months of age and continued breastfeeding up to two years and beyond, combined with the safe introduction of appropriate complimentary foods.
- 9 We are committed to work with business partners, trade associations, industry groups to establish awareness and promote responsible marketing practices.
- 10 We are committed to drive an organisational culture that puts these commitment and compliance to applicable regulations as the highest priority and ensure our key business partners have the same accountability as we do.





- ☑ Improving Employee Safety Procedures
- ☑ Strengthening the Digitisation System
- ☑ Contribution to Handling Covid-19 throughout the Production Chain and Community

# 3

## COVID-19 MANAGEMENT





**2** 020 has been a unique year. The world faces an unprecedented global health crisis triggered by the COVID-19 pandemic.

In the midst of the Covid-19 pandemic in Indonesia, efforts were made by Danone SN Indonesia to prevent and minimise the chain of transmission, especially to protect our employees as the main assets of the business and to maintain continuity of Company operations. According to data from Worldometer, the number of positive cases of the Corona virus in the world reached 83 million as of December 2020.



Indonesian Minister of Manpower Ida Fauziyah appreciated the Occupational Health and Safety protocols implemented at the PT Sarihusada Generasi Mahardika plant in Yogyakarta.

**Danone SN Indonesia Initiatives**



Improving Employee Safety Procedures



Strengthening the Digitisation System



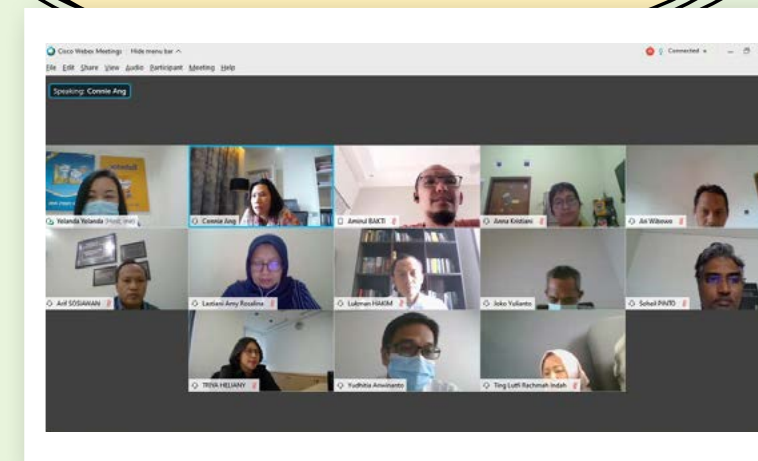
Contribution to Handling Covid-19 throughout the Production Chain and Community



**Improving Employee Safety Procedures**

We adapted fast to the pandemic situation by prioritising the health of our employees. We formed a special task force for handling Covid-19 and helped the Government to strengthen health protocols with various activities.

Implementing Work from Home (WFH) in accordance with Government recommendations



Providing Care Pack (masks & hand sanitizers) for employees and family



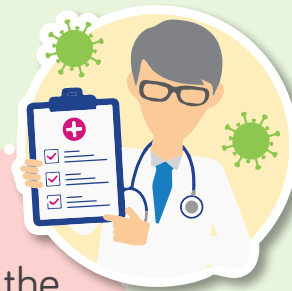
Creating a Covid-19 Task Force Team at factory level



Improving Standard Operating Procedure (SOP) related to health protocols in all units

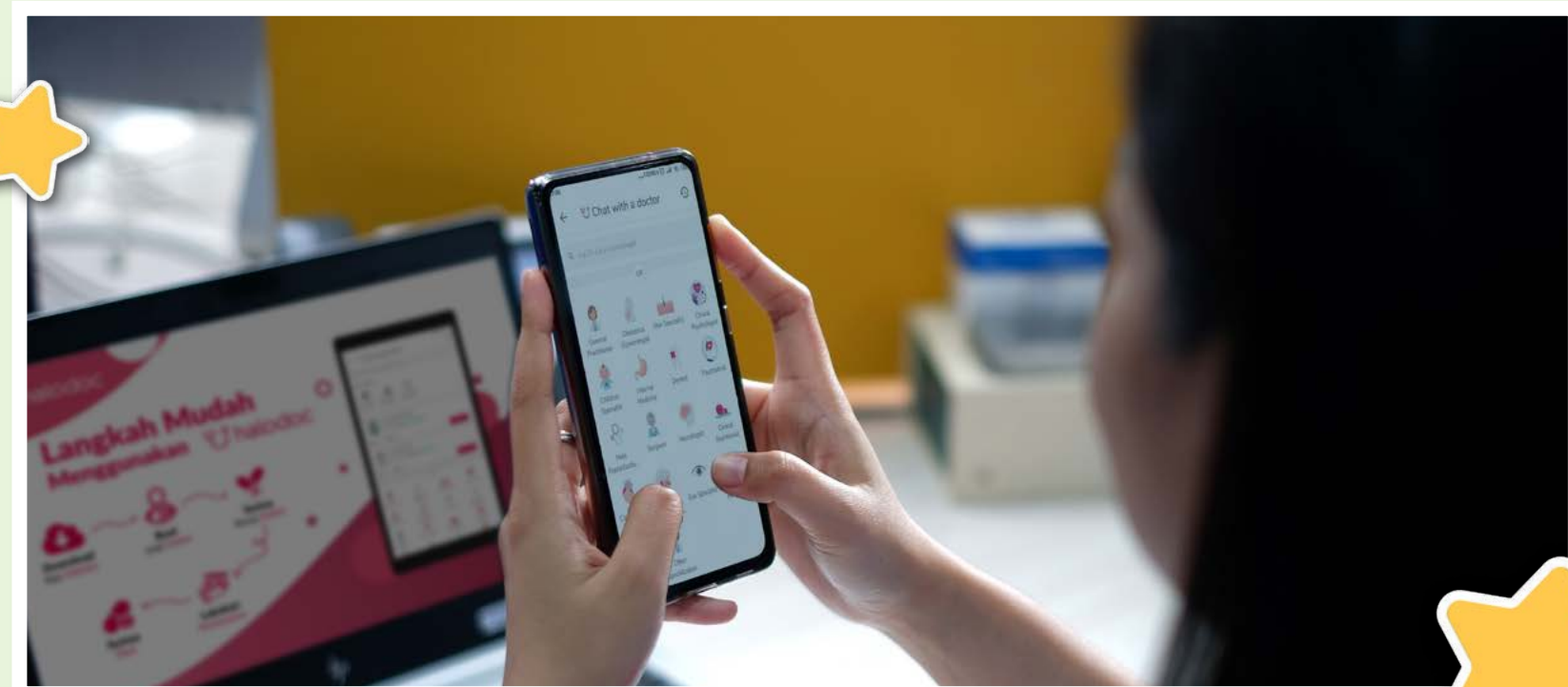


Work from Home (WFH) can have a significant impact on mental health. Therefore, we took appropriate measures to maintain the safety and mental health of our employees by:

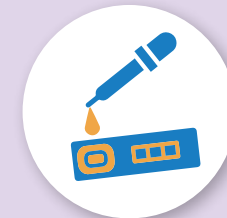


- Providing comprehensive psychological assistance such as webinars, virtual support, counseling classes as well as regular communication on the importance of mental health
- Maintaining team cohesion through webinars on how to maintain health and productivity
- Always engaging and maintaining communication with team members by holding contests, town-halls and new employee celebrations all of which are held virtually.

We collaborated with telemedicine service providers to support employees who need to consult directly with doctors. Employees and their families are therefore able to monitor their health without having to leave the house.



We implemented various health protocols recommended by WHO and the Government, as well as Danone SN Indonesia initiatives in all of our lines of operation, both in the office and factory, such as:



Conduct antigen testing before entering the office



Check body temperature and oxygen saturation at the entrance



Improvement and modification of office and factory facilities such as:

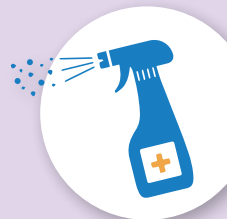
- Installation of office partitions
- Equipping the water faucet with automatic sensors
- Entry access using facial recognition
- Modification of the office ventilation system



Implement self-assessment Procedures



Work shifting schedule in line with Government recommendations



Disinfect and sanitising the workplace area frequently

We simulated a Return to Office (R2O) program during the Large- Scale Social Restrictions (PSBB) using many considerations, such as employee conditions, facilities, work & communication, and health protocols to make sure our employees are safe.



## Responding to Employee's COVID-19 Diagnosis

When employees and workers have Covid-19 symptoms, we apply treatment and recovery procedures that apply at all employee levels.

### 1. Covid-19 Testing

We require employees to conduct PCR tests.

### 2. Contact Tracing

Contact tracing is conducted to find out the mobility history and physical contact of employees with other parties.

### 3. Quarantine / Self-Isolation

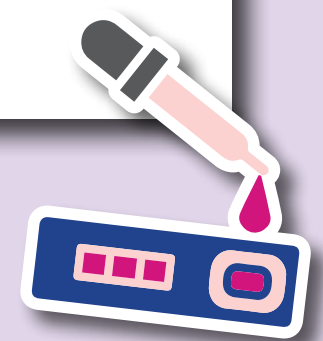
We collaborate with hotels to provide self-quarantine facilities for employees who cannot quarantine at home.

### 4. Intensive Monitoring

Management and supervisors conduct daily monitoring of the condition of employees with suspected COVID-19.

### 5. Disinfectant Spray

Disinfection is conducted thoroughly for the work site if there is a confirmed case of Covid-19.



We currently have doctors and nursing representatives at all operating sites who are willing to serve during working hours. Briefings are conducted regularly by gathering doctors and experts to share updated medical responses and protocols.

We are also developing the Smart Book adaptation of the new normal whose policies can be updated according to the development of the situation and related references. This book is also applied in all units tailored to the respective regions in which we operate.

### Additional benefits that employees can get during the pandemic include:

1. Special care for employees at hospitals that have become partners of the Company
2. Provision of vitamins and nutritious food
3. A transportation allowance for employees who work in the office
4. An additional communication allowance



## Strengthening the Digitisation System

**D**igitisation is the key for us to transition and adapt during the pandemic. Currently, we are changing the entire administration system to increase employee productivity and efficiency. Other initiatives that we have launched are:

### 1. DIVA Technology Optimisation

DIVA technology is a combined chatbot application with data and machine learning to help employees find the right content during a pandemic. Through this technology, employees can access materials anytime and anywhere.

### 2. Reimbursement procedure via the CONCUR app

CONCUR is a digital-based claims application for employees. This system provides accessible features in submitting, approving, tracking and reporting claims.

### 3. Budget submission and management system through the NAV application

We have a very efficient monitoring-based budget management system for employees to use.

### 4. Purchase request administration system through the Cyclops app

Cyclops is a new feature for processing Exception Forms and Quotation approvals.



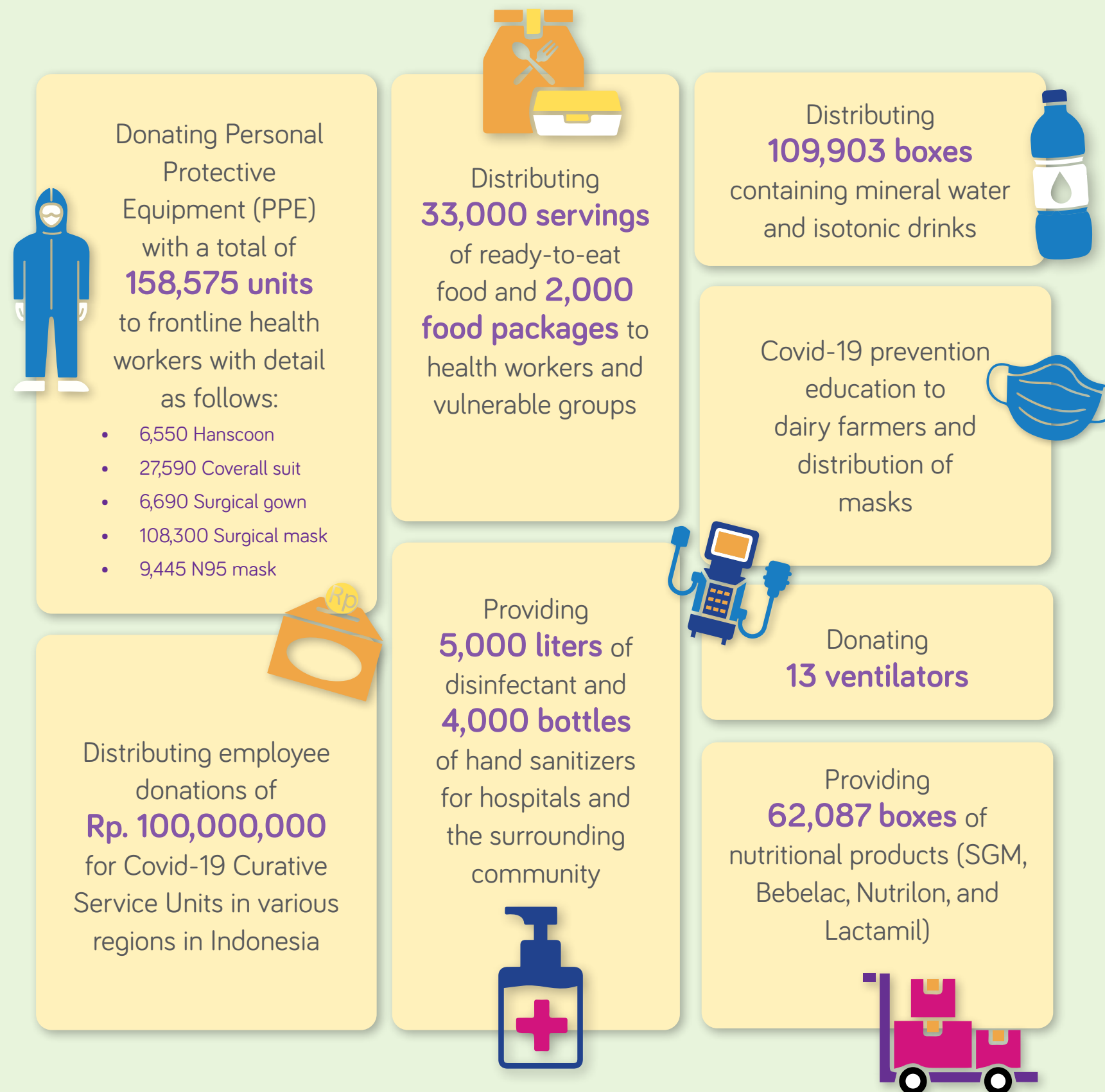


## Contribution to Handling Covid-19 throughout the Production Chain and Community

**D**anone Indonesia plays an active role in the global response to the Covid-19 pandemic. Danone Indonesia doubled its commitment to help suppress the spread of Covid-19 in Indonesia by donating a total of 30 Billion Rupiah.

This support was distributed in the form of funding, Danone products, medical devices, and protective medical gear to various referral hospitals handling COVID-19 in Indonesia. This activity was conducted in collaboration with the Government, Health Service Providers, Associations and Local Non-Profit Institutions.

The following summarises the support that has been provided by Danone Indonesia up until the end of 2020:



We distributed basic needs to residents directly affected, such as pedicab drivers and small workshop owners. To fulfil nutrition through food technology, Danone SN Indonesia collaborates with the Indonesian Institute of Sciences (LIPI) to produce and distribute healthy food, Probarz biscuits, and Aitamie noodles. On this occasion, we handed over the donation of fortified food to the Foodbank of Indonesia. The contribution of 5,000 Probarz biscuits and 4,000 Aitamie Noodles was given to the community, especially mothers and children, to maintain health during the pandemic.



We fully supported 20,000 ride-hailing app drivers in almost all parts of Indonesia. We collaborated with PT Sumber Alfaria Trijaya Tbk (Alfamart) to support groups affected by the Covid-19 pandemic with SGM Eksplor milk.

Through this initiative, we seek to facilitate the spirit of community cooperation to support the daily needs of affected residents. The program, supported by the Yayasan Anak Bangsa Bisa (YABB) has managed to collect aid worth Rp. 1 billion. The donations were distributed in e-vouchers and can be redeemed to shop for everyday needs.



We also provided educational support through the “Dukung Pendidikan Anak Generasi Maju” program. We collaborated with Indomaret by encouraging customers to buy our products. By purchasing our products, customers have contributed Rp 10,000 to the “Edukasi Anak Generasi Maju” package in Indonesia.

We distributed 1,000 laptops, modems, and data packages in 30 cities and regencies. These were received directly by high-achieving and underprivileged elementary school students.



**We collaborated with our retail partners by distributing 1,000 laptops for underprivileged children and supporting 20,000 ride-hailing app drivers to fulfil their family's nutrition**







- ☑ Inclusive Diversity
- ☑ Employee Welfare
- ☑ Developing Human Resources
- ☑ Healthy and Safe Working Environment

# 4

## DANONE SN INDONESIA EMPLOYEES



During the reporting period, we remained committed to providing comfort and maintaining the health of our employees because they are the cornerstone of Danone SN Indonesia's success. We continue to strive to provide a safe and healthy work environment and provide employees with opportunities to develop their skills and careers. Our initiatives align with the Sustainable Development Goal No. 3, Healthy and Prosperous Life, and Goal No. 5, Gender Equality.



## Inclusive Diversity

[GRI 102-41, GRI 405-1]

For us, Inclusive Diversity (ID) is a crucial driver of innovation, growth and principles to realise the vision of One Planet One Health. The Company provides equal opportunities for everyone, whether male or female, regardless of ethnicity, religion, race, class, gender or disability. We apply the principle of equality, both in the recruitment process, training, career development, and various other aspects of employment by making appropriate policies for our employees and especially for prospective parents, including:

### Our Achievements



In 2019, Danone Indonesia Received an Award for Best Companies to Work for in Asia 2019 organised by HR ASIA

- Flexible working schedules
- Pregnancy related medical examinations and childbirth
- Maternity leave (6 months) and Paternity leave (10 days) for parents
- Equality of salary between male and female employees
- Job protection measures and return-to-work support
- Supporting breastfeeding in the workplace
- Increasing the number of female employees at the managerial level

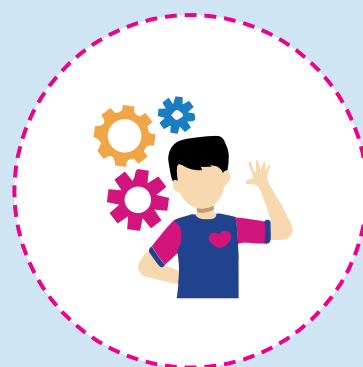
### Our Approaches



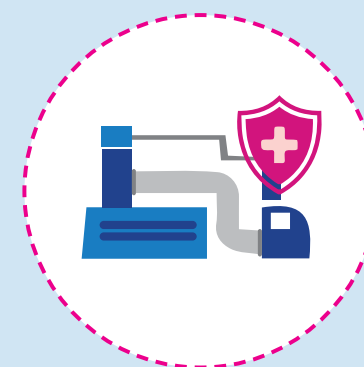
Inclusive  
Diversity



Employee  
Welfare



Developing  
Human Resources



Healthy and  
Safe Working  
Environment

Valuing diversity and encouraging inclusivity is about acknowledging, respecting, and leveraging human differences to encourage employees to fulfil their potential. Through the #CelebrateUniqueness campaign, we aim to build a work environment where every individual is respected and valued, where their views and uniqueness are embraced, so that they can bring out who they really are within the Company. We recognise and respect employees' freedom of expression, which is covered by the Collective Labour Agreement. Until 2020, 100% of our employees have joined the Collective Labour Agreement.



2018

2019

2020

Female



Male



At Danone SN Indonesia, equal opportunities for women and men are significant in all areas of business and work level. Supporting women's rights and gender equality has resulted in more sustainable progress. So far, the proportion of female senior managers, directors, and executives at Danone SN Indonesia is 40%.

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Executive Committee	0%	0%	2%	1%	0%	9%
Director	0%	0%	1%	2%	0%	4%
Manager	21%	14%	34%	30%	22%	17%
Supervisor	39%	18%	14%	8%	17%	9%
Staff	6%	2%	6%	2%	13%	9%

Head office

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	1%	0%	1%	5%	1%	9%
Supervisor	9%	11%	11%	23%	6%	37%
Staff	37%	43%	26%	35%	20%	26%

Regional Office

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Director	0%	0%	0%	0%	0%	3%
Manager	4%	1%	4%	5%	0%	3%
Supervisor	15%	8%	2%	7%	5%	11%
Staff	14%	58%	6%	75%	16%	63%

Ciracas Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	1%	2%	2%	3%	2%	0%
Supervisor	8%	6%	1%	5%	0%	2%
Staff	15%	68%	2%	87%	0%	95%

Prambanan Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	0%	0%	2%	4%	0%	0%
Supervisor	19%	16%	0%	13%	0%	27%
Staff	6%	58%	4%	78%	0%	73%

Sentul Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	2%	0%	4%	11%	0%	12%
Supervisor	16%	7%	3%	10%	0%	12%
Staff	12%	63%	3%	69%	0%	76%

Yogyakarta Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Executive Committee	0%	0%	2%	2%	11%	5%
Director	0%	0%	1%	2%	0%	0%
Manager	21%	8%	38%	26%	21%	16%
Supervisor	47%	17%	12%	8%	26%	0%
Staff	6%	1%	7%	2%	11%	11%

Head office

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	1%	0%	1%	6%	2%	9%
Supervisor	5%	7%	22%	17%	39%	27%
Staff	34%	53%	25%	34%	18%	18%

Regional Office

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Director	0%	0%	0%	0%	0%	2%
Manager	5%	1%	4%	3%	0%	4%
Supervisor	16%	9%	2%	10%	2%	8%
Staff	12%	55%	4%	77%	22%	61%

Ciracas Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	1%	2%	1%	3%	4%	0%
Supervisor	9%	3%	1%	6%	0%	4%
Staff	15%	69%	2%	87%	0%	93%

Prambanan Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	0%	2%	2%	4%	0%	0%
Supervisor	9%	11%	0%	12%	0%	31%
Staff	2%	77%	4%	79%	0%	69%

Sentul Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	4%	0%	5%	13%	0%	10%
Supervisor	16%	9%	3%	9%	0%	10%
Staff	4%	67%	2%	69%	0%	80%

Yogyakarta Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Executive Committee	0%	0%	2%	2%	4%	4%
Director	0%	0%	1%	3%	4%	0%
Manager	18%	14%	37%	28%	22%	30%
Supervisor	42%	21%	13%	7%	22%	0%
Staff	6%	0%	7%	1%	9%	4%

Head office

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	0%	1%	1%	5%	2%	12%
Supervisor	3%	7%	12%	23%	10%	35%
Staff	29%	59%	25%	33%	19%	23%

Regional Office

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Director	0%	0%	0%	0%	0%	2%
Manager	3%	1%	4%	4%	0%	2%
Supervisor	25%	6%	3%	8%	2%	10%
Staff	8%	56%	3%	78%	24%	61%

Ciracas Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	1%	1%	1%	3%	3%	0%
Supervisor	9%	3%	1%	6%	0%	5%
Staff	12%	74%	2%	87%	0%	92%

Prambanan Unit

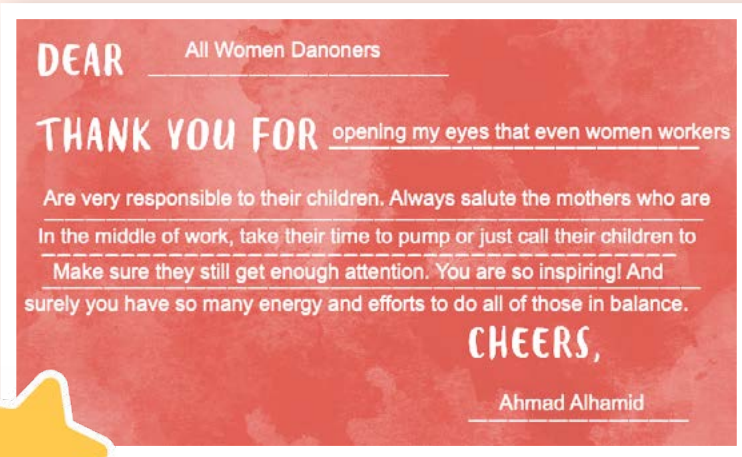
Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	0%	0%	4%	7%	0%	0%
Supervisor	2%	4%	0%	18%	0%	9%
Staff	1%	93%	4%	68%	0%	91%

Sentul Unit

Classification Grade	Age < 30		Age 30 - 50		Age > 50	
	F	M	F	M	F	M
Manager	2%	0%	6%	12%	5%	5%
Supervisor	20%	10%	4%	8%	0%	5%
Staff	7%	61%	2%	68%	0%	86%

Yogyakarta Unit

Diversity and inclusion activities conducted during the reporting year include:



### International Women's Day

Every year, we celebrate International Women's Day to celebrate women's social, economic, cultural and political achievements as well as a campaign to accelerate the achievement of gender equality.

### National Family Day and National Children's Day

We held a Family Visit activity where we invited the employees' children to glimpse and understand what the parents were doing in the office.



### Inclusive Diversity Week

Danone globally organises Inclusive Diversity Week to understand Inclusive Diversity's definition, purpose, and benefits. The activities are seminars, campaigns to the introduction of the Inclusive Diversity (ID) Champion.



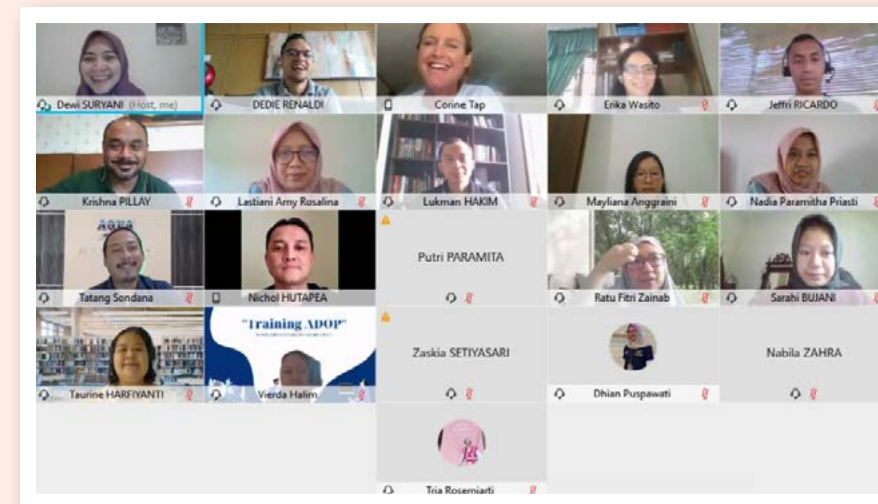
### Father's day

Father's Day is celebrated virtually by holding a campaign about the role of fathers as heads of families who have extraordinary responsibilities for their families.



### Inclusive Diversity Champion

In 2020, we inaugurated the Inclusive Diversity (ID) Champion. We selected champions from each division and CBU at Danone Indonesia responsible for supporting ID initiatives at the local level to drive changes.



### Anti Harassment & Anti Discrimination Policy

All employees have the right to work and the obligation to create a harassment-free environment. Any form of harassment, such as sexual, verbal, or physical harassment, is not tolerated within the Company.

In 2020, we launched the Harassment-Free Work Environment Policy as a means to help our employees perform to the best of their ability and contribute fully to the success of the Company. Training was also conducted to implement this policy. In addition, we provide the Danone Ethics Line for reporting violations that can be accessed through digital channels such as websites, messaging applications, and virtual support for employees in need.



## Employee Welfare

[GRI 401-2, GRI 401-3]

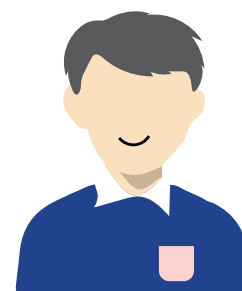
**E**mployee welfare is a Danone SN Indonesia's priority for business continuity. We have the principle of equality in remuneration both at the head office and at each unit location. Remuneration is awarded by performance, achievement of targets, and complies with wage regulations that apply throughout Indonesia.

Besides remuneration, additional benefits are also provided to employees to support performance, motivation, and to appreciate their contributions. The benefits provided exceed the provisions of the applicable regulations in Indonesia.

Danone SN Indonesia supports new parents and their babies by providing support to maximise the first 1,000 days of life. Our support is to provide maternity leave rights to female employees for six months and ten days for male employees whose wife is about to give birth.



During the reporting year, there were  
**32 female employees** and  
**109 male employees** who took maternity  
 leave in 2019 and **58 female employees** and  
**134 male employees** who took maternity leave  
 in 2020



Benefit	Permanent Employee	Contract Employee
Life Insurance	✓	✓
Medical Benefit	✓	✓
Disability Insurance	✓	✓
Maternity Leave	✓	✓
Shareholding (* For contract employees, minimum contract duration is 1 year)	✓	✓
Retirement	✓	✓
Transportation	✓	✓
Holiday and Year-End Allowance	✓	✓
Scholarships (*based on the needs of the Company)	✓	-
Communication	✓	✓
Yearly bonus	✓	-



We provide lactation rooms and health clinics to support breastfeeding.

In addition, health activities such as various sports clubs are adapted to hobbies to balance health and work, such as futsal, badminton, bicycles and yoga exercises (performed weekly).



## Developing Human Resources

[GRI 202-2, GRI 404-1, GRI 404-2]

**D**uring the Covid-19 pandemic, we faced a situation that required various adaptations to support employees so they could continue to grow to improve work efficiency and effectiveness. Our employee training is conducted through virtual meetings. Here are the programmes we have successfully adapted during the pandemic:

### Cross Collaboration Training

This training is a joint training between Danone SN & Danone Waters. All employees and several commercial parties have the opportunity to share stories about initiatives in each business unit.

### Managerial Skills (ELC)

This program is one of our initiatives that focuses on performance culture. This program is aimed at employees at the managerial level to improve their leadership skills.

### Gender Bias Training

We initiated this training to support all employees to remain inclusive by not discriminating against employees with different backgrounds or cultures.

### Average hours of training by gender



Year	Male	Female
2019	38	38
2020	12	15

\*) Note that during 2020, the number of job training courses experienced a significant reduction due to the impact of the Covid-19 pandemic.

Danone SN Indonesia provides job opportunities for applicants from all regions of Indonesia who want to develop and treat all employees equally without discrimination. Senior management at Danone SN is defined as employees at level 7 and above. 39% (2019) and 44% (2020) of our senior management were Indonesian citizens during the reporting year.

Below are some of Danone SN Indonesia's initiatives related to the career development of new/permanent employees:

#### 1. Management Trainee (MT) STAR

MT Star is one of the career path acceleration programmes for the best graduates. They will receive training, self-development support and involvement in various projects.

#### 2. Asian Jaguar

This program aims to allow employees to learn and grow by taking on new challenges and projects, contributing to the Company's business. In 2019, this program was still running but was delayed in 2020 due to the Covid-19 pandemic. Seven employees from Danone Group Indonesia participated in the 2019 Jaguar Asia Batch Program. They have received six months of international assignments in business units in France, the Netherlands, Singapore, Thailand, China, and New Zealand.

#### 3. Talent Swap

Despite the pandemic, the talent swap program is still conducted regularly. In 2020, we brought one employee to learn and develop their potential in the Danone Aqua unit.

#### 4. Internship Program

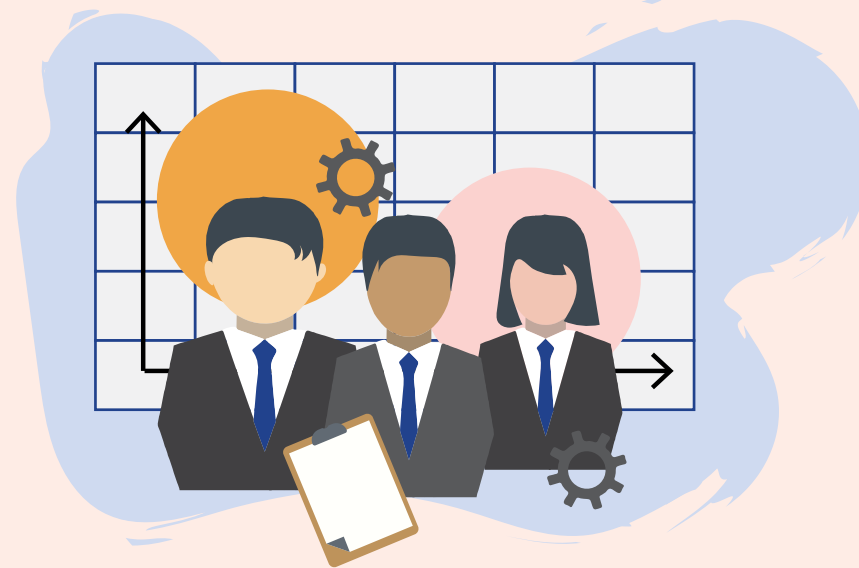
We open vacancies for students who want to be involved in projects performed by experts so that they can learn and apply these skills.



## One Person One Voice One Share

One Person One Voice One Share is a program that was successfully released in 2018 to strengthen employees' sense of belonging to the company and to voice their opinions, both on the company's priorities and the elaboration of local and global roadmaps for 2030. This program is intended for all employees within the Danone Group, including employees in the Danone SN Indonesia business category.

Each year, we open the opportunity for volunteers to represent the voices of 100,000 Danone employees worldwide with members of the Board of Directors and Executive Committee. This interaction and collaboration between employees and senior management can broaden our needs and expectations, accelerate decision making, drive innovation, and empower local teams to act and move toward Goal 2030.



In 2020, 23 local Danone Indonesian volunteers were selected by Management to represent employees in providing observations and analysing the One Voice 2020 survey results



We are aligning everyone's interests and driving changes by fostering a sense of ownership for all employees. At Danone SN Indonesia, employees will become one of the company's owners through the One Share Program. The One Share program is conducted according to the following two steps:

- One Share For All plan for all eligible Danone employees around the world
- ESSP (Employee Share Purchase Plan) for the Danone employees who want to invest more in Danone Shares.

As of December 2020, 1,851 SN Indonesia employees participated in the Danone share ownership program





## Healthy and Safe Working Environment

[GRI 403-1, GRI 403-2, GRI 403-5, GRI 403-6, 403-8, GRI 403-9]

**W**e believe that good Occupational Health and Safety (OHS) management is essential to promote our employees' healthy lives and well-being. To manage it, we created five pillars to build a safe culture and protect employees.



We always apply strict occupational health and safety protocols by following the culture and basic safety standards. Every year, all of our factories are audited to maintain and implement OHS protocol. Our employees are covered by the Occupational Health and Safety System (SMK3) which is both internally and externally audited.

**In 2020 we received the WSO Indonesia Safety Culture Award “Gold Category” from the Indonesian branch of the World Safety Organization, awarded to the Yogyakarta, Prambanan, and Sentul Units**



We also conduct external audits not only in factories but also in the sales department and have the same target, namely Zero Accidents. During the reporting period, we focus on strengthening safety culture and improving safety standards, especially for hazardous facilities such as forklifts, tall buildings, etc.



We have Hazard Identification, Risk Assessment, Risk Control, and Environmental Aspect Identification, which are implemented throughout our operations. To manage health and safety risks, we created an application, namely Behavior-Based Safety Quality. Employees can use this application to report audit results and enter reports from facility inspections.

In addition, we implement the GENBA culture in all of our units to know the conditions on the ground directly and can make quick repairs to prevent work accidents. If the security performance reaches the best standard, we will reward employees and workers.

## Central Safety Committee

As the Company's commitment to managing OHS, Danone SN Indonesia has established an OHS Committee (Central Safety Committee) that aims to create a safe and healthy workplace, free from environmental pollution to reduce work-related injury and occupational diseases.



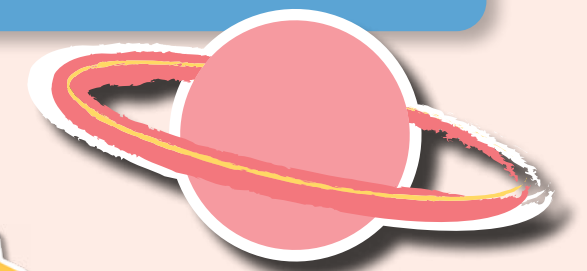
### Responsibilities of the Central Safety Committee

Collecting and processing data on Occupational Safety and Health in the workplace

Showing and explaining to every worker the various hazard factors in the workplace

Assist management in evaluating the workings and the causes of accidents

Assist the Company's leadership in formulating management policies and work guidelines in improving work safety





Throughout 2019-2020, several minor accidents happened involving several employees in our unit. If an accident occurs, we conduct an investigation and evaluation so that a similar incident does not happen again. We continue to carry out regular OHS training for employees from all levels through online meetings to prevent accidents.

We also report that all employees at the head office and factories were not recorded as having work accidents resulting in lost working days, work-related illnesses or fatal incidents.

2018

Type of Work Accident	Sentul			Ciracas			Yogyakarta			Prambanan			Total SN 2018
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Fatality	0	0	0	0	0	0	0	0	0	0	0	0	0
LTI-NLTI	0	0	0	0	0	0	0	0	0	1	0	1	1
First Aid	4	0	4	1	0	1	8	0	8	7	3	10	23
Near Miss	6	1	7	14	0	14	16	0	16	26	2	28	65
Unsafe Action/Condition	23	0	23	39	0	39	78	0	78	1,614	618	2,232	2,372
<b>Total</b>	<b>33</b>	<b>1</b>	<b>34</b>	<b>54</b>	<b>0</b>	<b>54</b>	<b>102</b>	<b>0</b>	<b>102</b>	<b>1,648</b>	<b>623</b>	<b>2,271</b>	<b>2,461</b>

2019

Type of Work Accident	Sentul			Ciracas			Yogyakarta			Prambanan			Total SN 2019
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Fatality	0	0	0	0	0	0	0	0	0	0	0	0	0
LTI-NLTI	0	0	0	1	0	1	0	0	0	2	0	2	3
First Aid	8	0	8	4	0	4	3	0	3	3	0	3	18
Near Miss	7	0	7	8	0	8	14	0	14	18	0	18	47
Unsafe Action/Condition	702	0	702	805	0	805	1,482	0	1,482	1,667	0	1,667	4,656
<b>Total</b>	<b>717</b>	<b>0</b>	<b>717</b>	<b>818</b>	<b>0</b>	<b>818</b>	<b>1,499</b>	<b>0</b>	<b>1,499</b>	<b>1,690</b>	<b>0</b>	<b>1,690</b>	<b>4,724</b>

2020

Type of Work Accident	Sentul			Ciracas			Yogyakarta			Prambanan			Total SN 2020
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Fatality	0	0	0	0	0	0	0	0	0	0	0	0	0
LTI-NLTI	0	0	0	0	0	0	1	0	1	0	0	0	1
First Aid	3	0	3	7	0	7	2	0	2	1	0	1	13
Near Miss	34	0	34	20	0	20	16	0	16	27	0	27	97
Unsafe Action/Condition	984	0	984	1,268	0	1,268	1,506	0	1,506	4,038	0	4,038	7,796
<b>Total</b>	<b>1,021</b>	<b>0</b>	<b>1,021</b>	<b>1,295</b>	<b>0</b>	<b>1,295</b>	<b>1,525</b>	<b>0</b>	<b>1,525</b>	<b>4,066</b>	<b>0</b>	<b>4,066</b>	<b>7,907</b>



## Employee Assistance Program (EAP)

Taking care of the welfare of our employees is our priority. We ensure that our employees are always healthy physically and mentally.

**A healthy mental state will help employees in:**

Facing life's challenges

Realising their potential

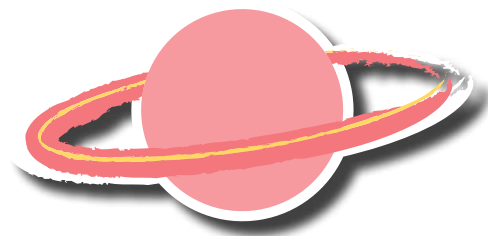
Making a meaningful contribution to the community

Working effectively

We support employee mental health through the Employee Assistance Program (EAP). EAP is a service tailor made to assist employees with personal, mental, and work-related issues through welfare support from professionals.



**We initiated the Employee Assistance Program (EAP) to maintain and protect employees' mental health. This program is also helpful in that employees can consult with psychologists virtually**



### Danone pillars of well-being

As part of our commitment to the welfare of our employees, we have a program to improve well-being in the workplace that can reduce work-related stress. Each program covers the five pillars of Danone's well-being, such as:



1

### Driving healthy ways of working

Driving healthy ways of working begins with recognising that people do not work at infinite capacity, that they need energy, breathing and flexibility for better work efficiency.



2

### Management with care

Proximity management is pivotal to provide direction and meaning, sense of belonging, participation and team spirit, recognition and also professional development to teams and individuals.



3

### Promoting a healthy lifestyle and work environment

In line with Danone's mission to bring health to many people, we promote a healthy lifestyle and work environment by providing comfortable facilities.



4

### Sustainable pace

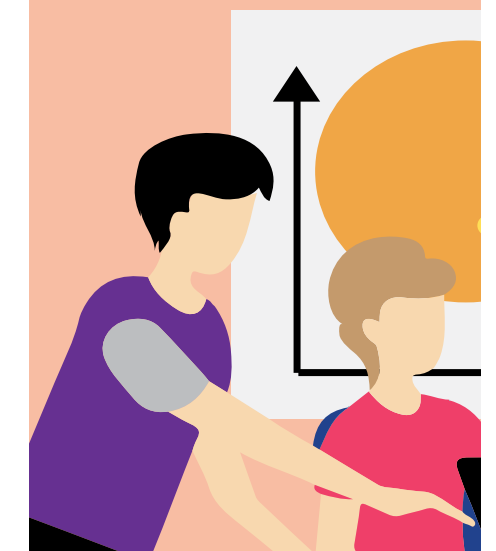
Ensuring a sustainable pace plays a major role to secure the "level of energy" needed by Danone employees to sustain their engagement to serve Danone's mission.



5

### Valuing daily work

Valuing daily work is important to ensure that employees have done their jobs well and are recognised by other employees/teams.







- ☑ Product Innovation
- ☑ Danone SN Indonesia Research
- ☑ Quality and Food Safety
- ☑ Food Safety Standard
- ☑ Quality and Traceable Food Resources
- ☑ Marketing and Communication

# 5

## ★ QUALITY PRODUCTION PROCESS ★



**B**ased on research by the Food and Agriculture Organization (FAO) in 2018, as many as 486 million people in Asia and the Pacific were malnourished and 79 million children were suffering from stunting. In Indonesia specifically, as many as 30.8% of children under five years are suffering from stunting. This high number raises concerns over the development of Indonesia’s young generation. Some of the causes are inadequate food availability and lack of access to safe and nutritious food.



To address the problem of stunting, we are committed to providing nutritious nourishment for Indonesian children. We understand the importance of maintaining good gut health for optimal nutrient absorption for brain growth and development. Therefore, we are constantly innovating our products to meet the nutritional needs of Indonesia’s children.

To fulfil our goal of nurturing future generations, we uphold quality standards across all product lines. We follow standards that apply in Indonesia and international standards in both quality and food safety.



All our efforts are aligned with the Sustainable Development Goals:

- Goal 3: Good Health and Well-Being
- Goal 12: Responsible Consumption and Production

The various nutritional products we offer are made by a team from Indonesia and are developed for the people of Indonesia. To ensure high-quality standards, we conduct rigorous research and development to support the fulfilment of the nutritional needs of mothers and children. Materials from suppliers can be traced to ensure the quality of our products.

We also communicate continuously with our customers in order to establish good relationships and ensure trust with customers.



### Our Approach



Research and Development



Quality Food Safety



Marketing and Communication



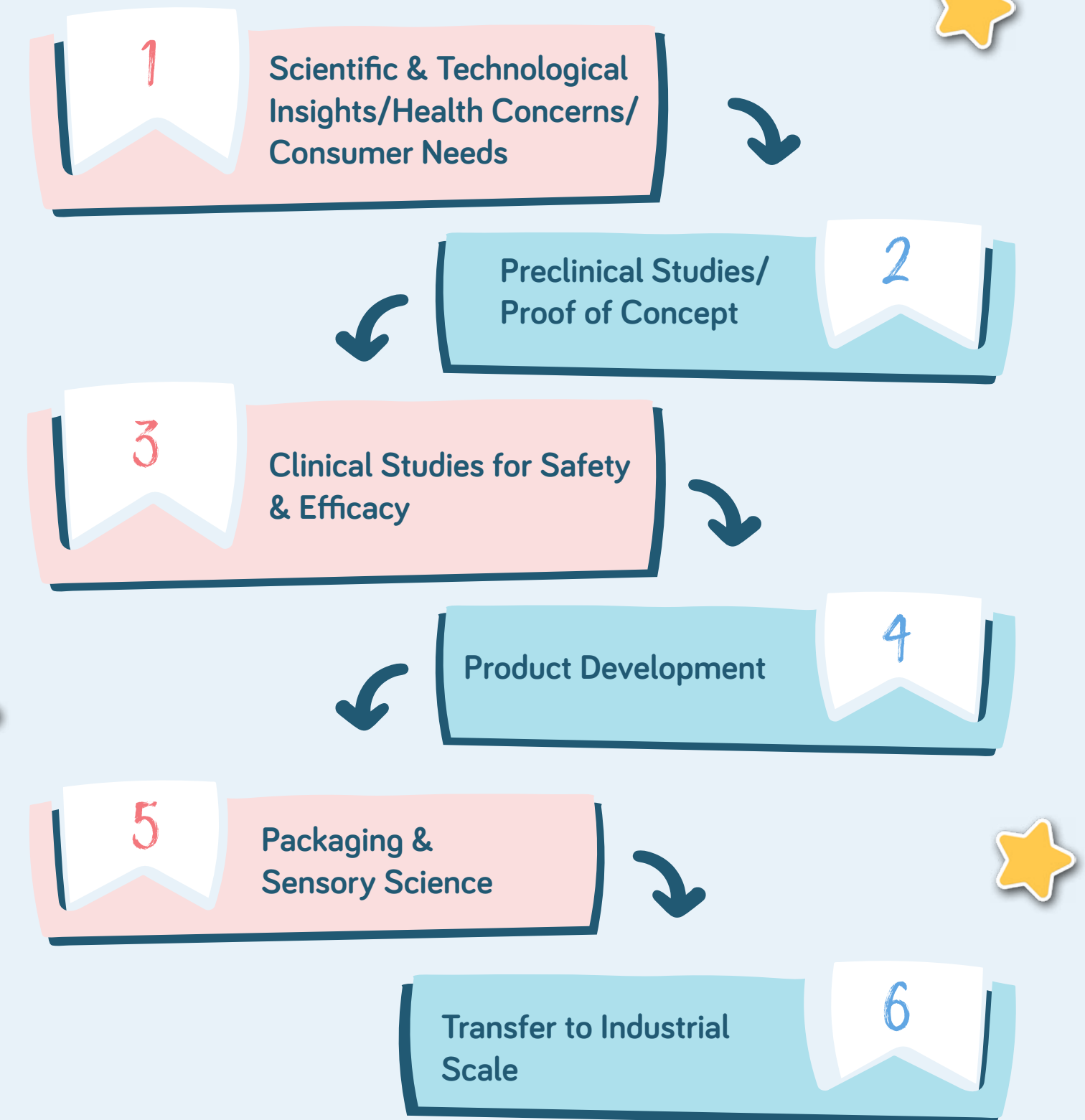




## Research and Development [FP6]

Research and Development stems from our commitment to continuously improve product quality. We are constantly looking for optimal methods to enhance our products further. Our development and innovation target is the development of local products that specifically cater to our customers in Indonesia. This development is based on local science, technology, and expertise with the support of research and innovation center resources within our worldwide network.

Below is the sequence for product development:





## Product Innovation

Customer trust is a priority for Danone SN Indonesia. We prioritise customer satisfaction by continuously innovating to improve product quality and anticipating increasingly diverse customer needs. Through continuous research and development, we innovate nutritious products whilst paying attention to the environment.

### Nutritional Innovation in Our Products [G4 DMA Former FP4]

In 2020, we launched several new products which are:



#### SGM Eksplor Pro-gress Maxx

This product contains a unique combination of Iron and Vitamin C. It is also equipped with essential nutrients your little one needs, such as fish oil, Omega 3 and 6, Calcium and Vitamin D as well as other essential nutrients. Nutritional innovations have also been developed in products for pregnant and lactating women and for children with sensitivity to cow's milk protein.



#### Bebelac Gold Soya

This product is formulated to improve thinking, digestion, and growth for children over one year of age. By using soy, children who are sensitive to cow's milk protein can still consume this product.



#### Nutrilon Royal Prosyneo

This product is specifically designed to support immunity. It contains partially hydrolyzed (PHP) formula with SYNEO patented for children with a history of sensitivity.

## Recycled Packaging

One of our leading innovations is the use of packaging from recycled materials. The use of packaging from recycled material ensures a more environmentally friendly product.





## Danone SN Indonesia Research

**D**anone SN Indonesia is involved in various nutrition development research programmes in Indonesia and internationally together with Danone Global. In 2019, to support product research and development Danone SN Indonesia inaugurated the Danone Nutricia Research Sarihusada R&I Center. This is a new international standard research facility in Yogyakarta.



### Nutri Pride Standard

A project initiated by Danone Global that aims to map the world's nutritional needs, including those in Indonesia.

### Healthy Aging Research

A scientific review to better understand the changing nutritional needs of healthy adults in old age.





## Quality and Food Safety

[GRI 416-1, FP6]

**W**e uphold the trust that our customers have placed in us. Every Danone SN Indonesia employee holds the principle to be “Excellent in all Quality, every day”. This principle is based on the four pillars of Danone SN Indonesia’s Quality ambition:

1

Be trusted

It is our job to ensure the safety and quality of all our products and that our operations are trustworthy.

By design, our production lines are segregated according to age target groups because we understand how vulnerable children’s health is.

Danone SN Indonesia also conducted a digital audit in 2020 to further ensure the level of quality we are aiming for.

2

Be efficient

With higher operational efficiency, we can save time and reduce waste production.

In 2020, we achieved an efficiency of 298 basis points, equating to an increase of 2.98% compared to 2019. The increase was achieved through:

- Root cause investigation in 2019 to understand the problems in the production line better.
- Preventive action through regular monitoring.
- Significant increase in delivery times from suppliers to increase efficiency.

To be the product of choice, we must have quality products and an excellent customer service.

We had a defect reduction program in 2019-2020 to address issues related to customer feedback. Our team will analyse every input from customers regarding product packaging. The task force will make the necessary repairs to fix the issue.

In 2019-2020 customer complaints received were 35% lower than the previous year.

3

Be preferred



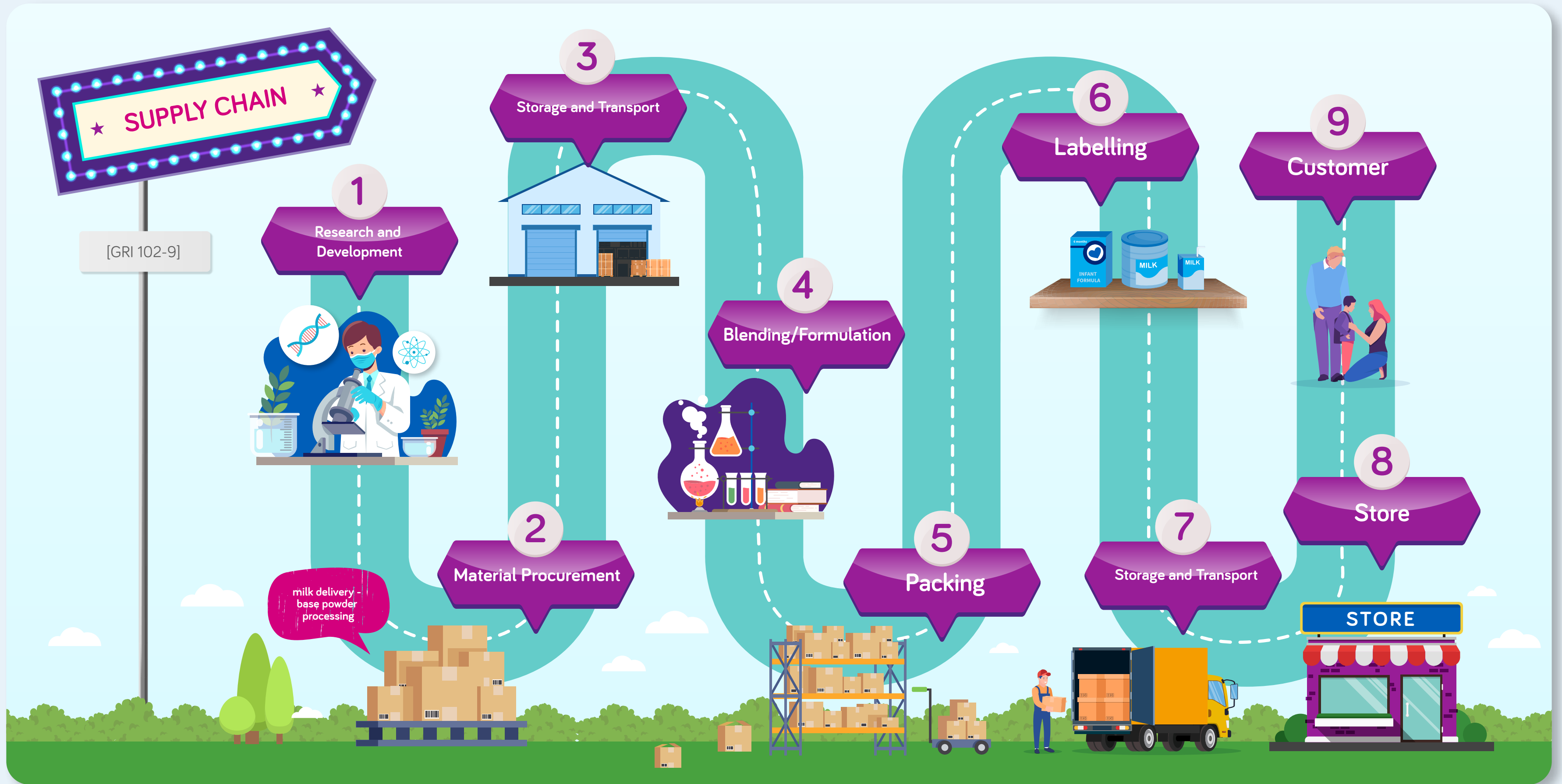
4

Be proud

We are proud of the performance of the employees on our production lines. During 2019-2020, Danone SN Indonesia achieved zero lost time injury, which means that no incident related to workplace safety affected any employee.

We want to build this quality culture further by holding a celebration to commemorate the “Food Safety” day. Together with our partners Lazada and Aladin, we held a quality culture event with several departments.





## Food Safety Standards

[GRI 416-1, FP6]

We comply with several national and international standards regarding food safety as follows:

- **The Food Safety Management System** follows the Global Food Safety Initiative (GFSI) standard
- **The Recommended Dietary Allowances (RDA)**, is a standard nutritional requirement and is the average adequate nutrient per day for most healthy people
- **CODEX** is an international standard to ensure that the products we produce specifically meet the needs of children
- **Certification of the Drug, Food and Beverage Supervisory Agency (BPOM)**, food safety standards of the National Drug and Food Agency of the Republic of Indonesia
- **The Hazard Critical Control Point (HACCP) certification**, is an internationally recognised system for reducing the risk of safety hazards in food. We apply HACCP to all operations
- **ISO 22000: 2005 Food Safety Management System**, is an international ISO standard and has been created to ensure the safety of the global food chain
- **The Specialized Nutrition (SN) Standards**, which reflects our serious commitment to nutrition and health. The requirements for this SN Standard far exceed other standards. What makes it special is that we have to meet the standards of using evidence-based specifications, therefore we have accurate measurements of our products.





## Quality and Traceable Food Resources

[GRI 204-1, GRI 306-1, GRI 414-1]

In ensuring quality, Danone SN Indonesia sets high quality standards to our suppliers. This quality control is carried out to ensure that all partners comply with international regulations and our quality standards. In 2020, as much as 30% of our raw materials were sourced locally.

There are two international standards related to ensuring our quality and sustainability:

### Dairy Sustainability Framework

For our dairy-related products, we ensure that all materials used are in compliance with the Dairy Sustainability Framework (DSF). DSF ensures a uniform global framework working towards sustainability. Many dairy industries, food companies, NGOs and retailers participated in this initiative along with us. Strategies are formulated both globally and regionally. Danone SN Indonesia ensures that these strategies are implemented in our system with the aid of Key Performance Indicators from DSF as well as a detailed checklist to guide the implementation progress. Throughout 2019-2020, we always adhered to these standards.

### Roundtable on Sustainable Palm Oil

Danone SN Indonesia only uses palm oil that has been certified by the Roundtable on Sustainable Palm Oil (RSPO) to ensure that the palm oil we use is sourced responsibly and sustainably.



The palm oil we use must comply to the following guidelines:

- must be traceable to the plantation where it was produced
- must come from plantations whose expansion does not threaten High Conservation Value (HCV) forests
- must come from plantations whose expansion does not threaten High Carbon Stock (HCS) forests
- must come from plantations whose expansion does not threaten any tropical peatland, of whatever depth
- must come from plantations that respect indigenous peoples' and local communities' rights
- must come from plantations that respect the rights of all workers



### Environmental Aspect Assessment for Suppliers

[GRI 308-1, GRI 414-1]

Climate change is now a serious threat to the world, including to our supply chains. For this reason, it is important for us to identify the opportunities and risks that occur along the supply chain. To ensure supplier sustainability, we carry out several practices, such as:

#### Supplier Ethical Data Exchange (SEDEX)

SEDEX is a supplier assessment guide concerned with environmental and social aspects. Suppliers can only cooperate with us after passing these assessment standards. If a supplier fails, we will provide opportunities in the form of time and guidance to improve their performance.

#### Contractor Safety Management System (CSMS)

CSMS is a management system that calculates and controls risk between us and suppliers. This system evaluates the details of the procedures carried out by suppliers during the production process or services carried out from the side of safety management. Any kind of accident will be recorded in the CSMS report.

## Marketing and Communication

[GRI 417-1, GRI 417-2, GRI 417-3, FP-Product and Service Labeling]

Since the onset of the pandemic in early 2020, we have had to limit physical interactions. However, this is not an obstacle for Danone SN Indonesia in reaching its customers. We continuously build the trust of our customers and consumers by prioritising open communication. For this reason, we provide employees with information about our products and information about pregnancy and child development so that they can answer questions from customers and consumers.

### Open Communication through a 24/7 Careline

Danone SN Indonesia understands that restrictions on physical interaction prevent direct communication with consumers. To overcome this, we immediately sought to strengthen our online communication facilities to open our communication channels to mothers and customers who need information about our products.



Danone SN Indonesia already had a 24/7 Careline service before the outbreak of the pandemic. This service is an effort to support mothers by answering all questions about our products or about pregnancy and motherhood in general. We have knowledgeable call center personnel who are qualified to answer any questions at any time. We also help identify hoaxes and focus on helping mothers by building trust and security.

### Two Way Communication Through Digital Channels

#### 1. Online Lecture via Whatsapp

To educate the public about nutrition, we run weekly online lectures via Whatsapp by inviting credible experts as speakers. We aim to help mothers by providing education on topics such as parenting and nutrition. This lecture was attended by 174 participants in 2020.

#### 2. Instagram Live Webinars

In line with the theme of educating mothers and customers, we are holding online webinars during the pandemic. We invite credible experts to educate mothers about nutrition and health. This lecture was attended by 109 participants in 2020.





## Label Information

We are responsible for complying with ethical marketing guidelines. During the reporting year, we had no cases of non-compliance with any marketing regulations and laws, including advertising, promotions, and sponsorship.

Danone SN Indonesia follows:

- Internal guidelines (Danone BMS Policy based on the World Health Organization International Marketing Code for Breastmilk Substitutes)
- Indonesian law on the prohibition of marketing products to children under the age of 1 year
  - UU no. 36 of 2009 on health
  - Government Regulation Number 33 of 2012 concerning Exclusive Breastfeeding
  - Law Number 39 of 2013 concerning Infant Formula Milk and other baby products

We include complete nutritional information on all Danone SN Indonesia products to help consumers make choices according to their needs. We apply nutritional information on labels in accordance with the Indonesian Food and Drug Supervisory Agency (BPOM) regulations and Danone standards. In addition, our products are also certified Halal by MUI.

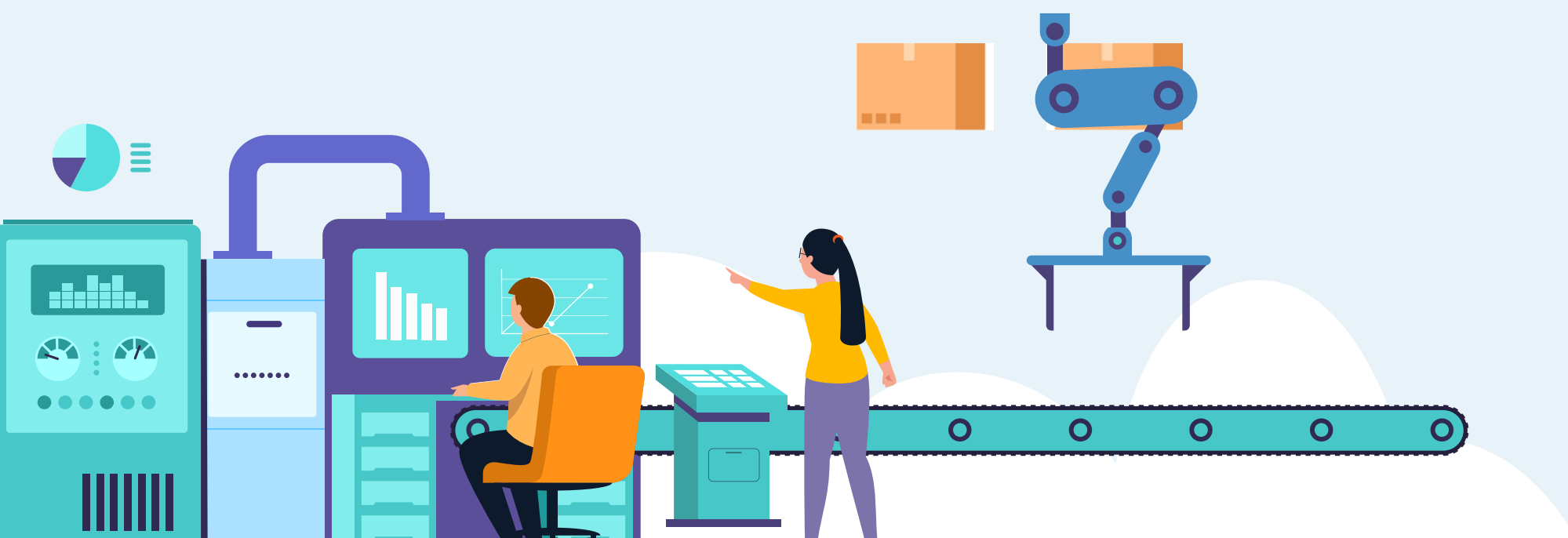
Practical information that is easy to understand is always included in our packaging to provide information and educational tools. The information is not limited to information about the nutritional content and the use of Danone SN Indonesia products but also includes easy-to-read dietary and dietary guidelines. Information about raw materials is also found in brochures and websites that customers can access.



# LABEL INFORMATION

 <b>Raw material composition</b>	 <b>Nutritional value information</b>
 <b>Product use information safely</b>	 <b>Product packaging disposal information</b>

\* Refer to the information on the Nutritional Value of SGM Ekplor 3Plus Vanilla







- ☑ Emissions Control and Energy Consumption
- ☑ Water and Wastewater Management
- ☑ Wastewater Management
- ☑ Solid Waste Management
- ☑ Green Office Programme

# 6

## PROTECTING NATURE AND ENVIRONMENT



[GRI 307-1]

**W**e remain committed to using an efficient production system to achieve sustainable consumption and production. We believe that this effort, combined with our adherence to applicable environmental laws and regulations, makes us more consistent in our efforts to create a cleaner and healthier environment. Not only is it the right thing to do, it's also critical for the long-term sustainability of our business.

Our seriousness in realising sustainability is reflected in one of our aims, "Preserve and Renew the Planet's Resources", which lies within one of our 2030 goals. We use every effort to make optimal use of resources and to make the most of the waste we generate in order to minimise its impact to the environment and to provide added value. We are participating in a global programme and implementing a carbon-positive strategy and carbon neutrality targets by 2050.

We are aligning our efforts with these Sustainable Development Goals:

- No. 6 Clean water and sanitation
- No. 7 Affordable and clean energy
- No. 12 Responsible consumption and production
- No. 13 Climate action
- No. 14 Life below water
- No. 15 Life on land



### Our Approach

**Emissions Control  
and Energy  
Consumption**

**Water and  
Wastewater  
Management**

**Solid Waste  
Management**

**Green Office  
Programme**

**Supplier's  
Environmental  
Assessment**





## Emissions Control and Energy Consumption

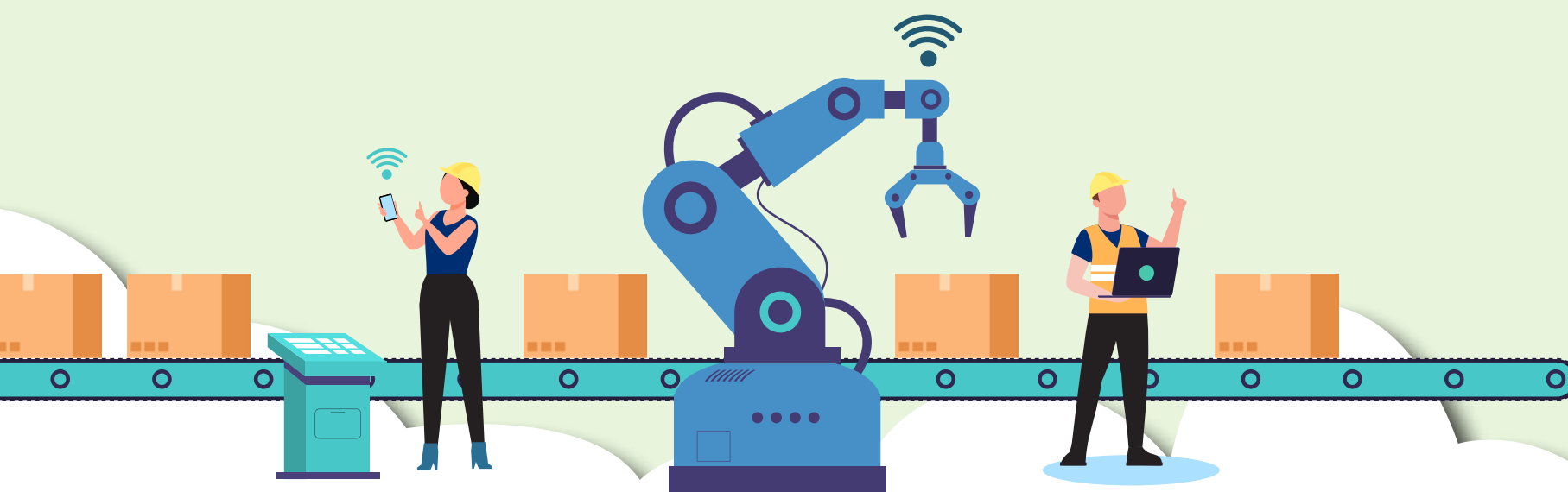
[GRI 302-1, GRI 302-4, GRI 305-1, GRI 305-2, GRI 305-3]

**W**e make continuous effort to reduce the emissions generated from operations in order to help mitigate the rising threat of climate change. We recognise that many operations and production activities have the potential to release emissions into the environment around us.

To create a clean environment and ensure climate stability, we have a variety of initiatives to reduce the emissions and energy consumption and these are captured in Danone's annual Nature Road Map.

During the reporting period, energy efficiency programmes were carried out by factories through process improvement, energy-efficient machine replacement and optimisation. Some initiatives that significantly reduce energy use and GHG emissions include:

- Replacing large silo machines with small machines
- Reducing the amount of engine cooling motors used
- Increasing Cleaning in Place (CIP) process efficiency
- Reducing chiller machinery power
- Planning to replace fossil fuels with renewable energy
- Optimising warehouse usage





### Energy Consumption inside The Organization

	Unit	2018	2019	2020
<b>Non-renewable</b>				
Electricity	GJ	146	148	155
CNG	GJ	374	367	406
Solar	GJ	15	15	5

Having correct and accurate data is essential to support us in making the right decisions in terms of environmental impact. We use Greentrack, a platform to monitor the performance of the company.

To ensure that air quality is in accordance with the prevailing standards, we conduct audits covering all of our supply chain in the procurement, production and distribution processes. We engage experts to audit our emissions from our operation and continue to evaluate our progress.



### Emissions Generated

Unit	2018	2019	2020
<b>Direct (Scope 1) GHG emissions</b>			
ton CO <sub>2</sub> ek	22,117	21,737	23,152
<b>Energy indirect (Scope 2) GHG emissions</b>			
ton CO <sub>2</sub> ek	29,865	30,137	33,165
<b>Other indirect (Scope 3) GHG emissions</b>			
ton CO <sub>2</sub> ek	823,314	864,058	824,847

# Water and Wastewater Management

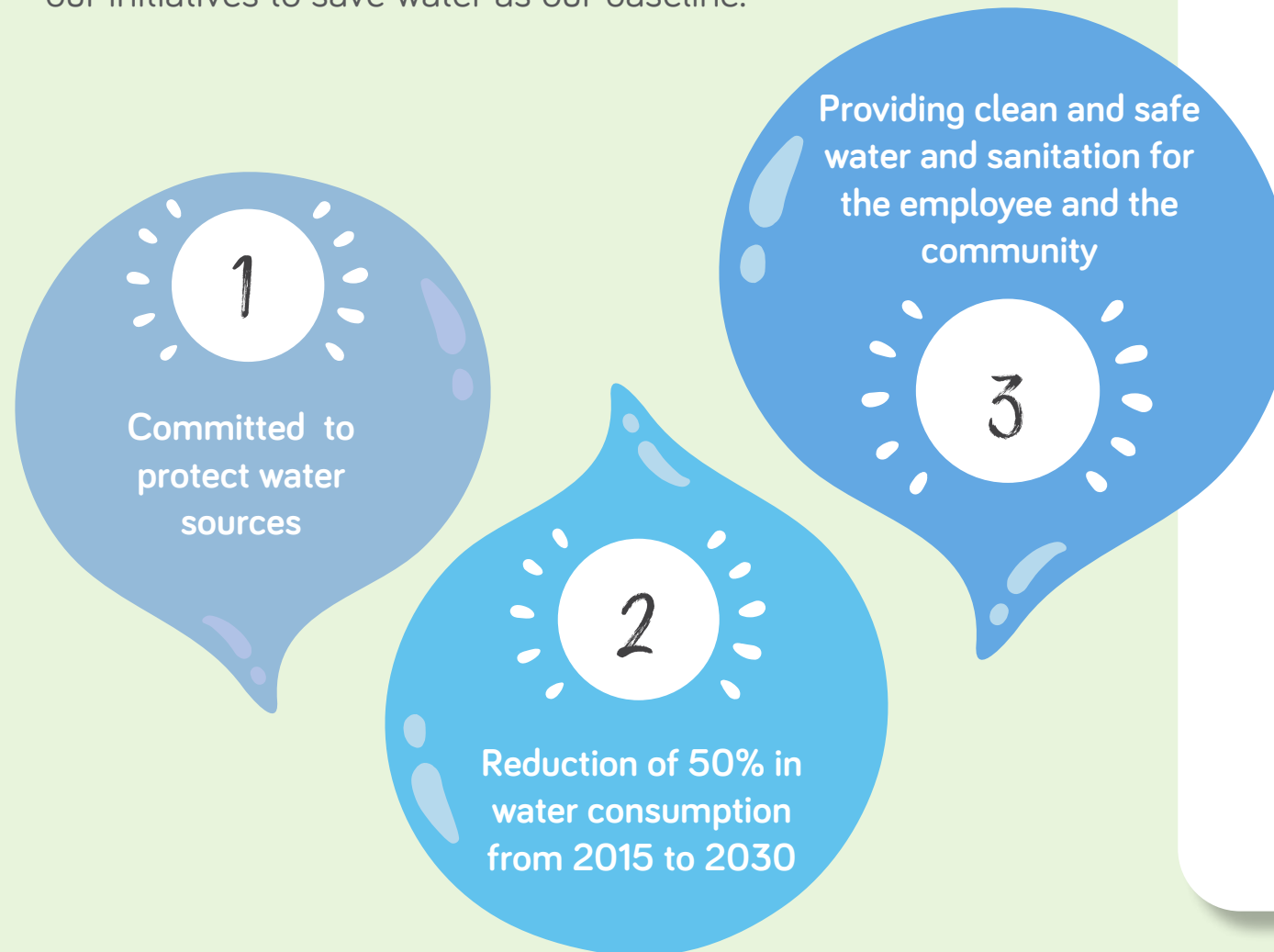
[GRI 303-1, GRI 303-3]

All life depends on water, and secure access to safe, clean water is a basic human right. As responsible neighbours in the communities where we operate, it is critical that we do not jeopardise the supply or quality of this valuable resource.

We recognise that water scarcity occurs in certain geographic areas and for certain operations that require substantial amounts of water. We have established various activities to reduce water withdrawal and consumption, manage wastewater, and promote water circularity. We conduct our initiatives beyond the gate of our operations, not just inside the gate.

Our main water source is via deep wells extracted through pumping techniques and municipal water (PDAM).

We follow Danone's Water Policy in conducting our initiatives to save water as our baseline:



## Water Withdrawal

Water Resources	Unit	2018	2019	2020
<b>All Areas</b>				
Ground water	m <sup>3</sup>	499,031	483,379.7	501,395.6
<b>Areas with Water Stress</b>				
Ground water	m <sup>3</sup>	481,755	466,352	484,152.6
Water from third party	m <sup>3</sup>	17,276	17,027.7	17,243



1

Committed to  
protect water  
sources

[GRI 304-1, 304-3, 304-4]

In order to protect water resources, in 2020 Danone SN Indonesia has built two biodiversity parks in Bogor, West Java and Gunung Kidul, Yogyakarta.

Danone SN in collaboration with the Bogor Agricultural Institute (IPB) established the IPB-Nutricia Inspiration Lake Conservation Park which is located on the Darmaga campus of IPB, Bogor, West Java. The park which has a total area of 14 hectares, is inhabited by various types of rare flora and fauna, including:

#### Fauna

The ferocious kuwik cat, the kekes squirrel, parrots, and the coconut squirrel.

#### Flora

Aprika trees, walnut trees, rubber trees, kebo rubber trees, various types of bamboo and macaroni trees.



In line with the joint mission of Danone SN and IPB to meet the needs of healthy food and access to clean water, there lies a freshwater lake in the park which is used as water source to meet the daily needs of local residents such as drinking, bathing, and others. This lake is filled with various types of fish and has fulfilled the need of clean water for 30,000 IPB academics. In addition to protecting water resources and biodiversity, this park is used as a center for education and the development of alternative food sources in Bogor area.

In collaboration with the Yogyakarta Stiper Agricultural Institute (Instiper), Danone Specialized Nutrition developed its second biodiversity park, the Eroniti Conservation Park in Karangasem Village, Special Region of Yogyakarta with an area of 10 hectares.

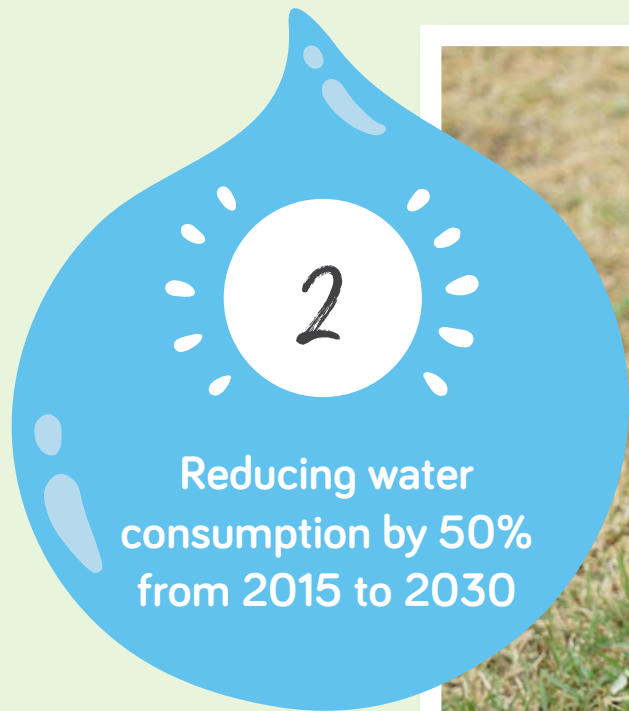


This Conservation Park was established through a community empowerment approach and is based on ecotourism. It serves as a site for biodiversity research and education, as well as allowing the community to participate in the development of parks and tourist attractions in the form of caves.

This collaboration also promotes further engagement with presidency since the president of the Republic of Indonesia Joko Widodo has planted trees in this area to preserve biodiversity. The trees planted by Jokowi are still alive and growing well as at the publication of this report. The results of biodiversity can be maintained and utilized in a sustainable manner so as to enable this collaboration to contribute to national development.







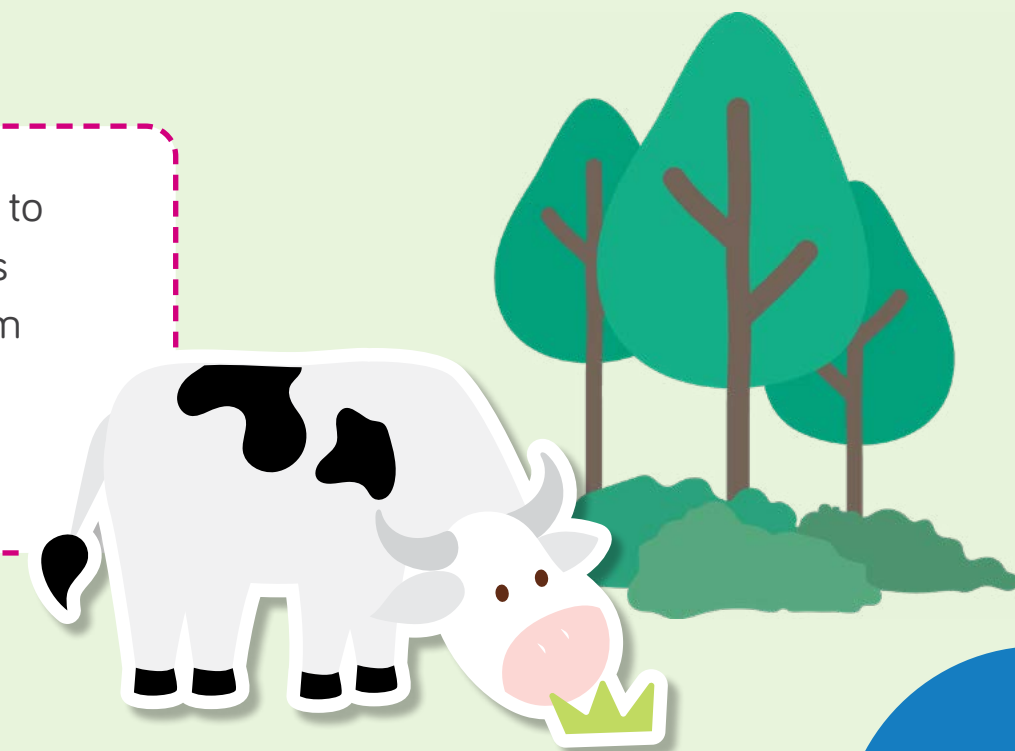
**O**ur efforts in maintaining water efficiency are conducted through 3Rs (Reduce, reuse, and recycle) and they include:

- Reducing water use from deep wells
- Reusing water from condensate in boiler machines
- Pioneer in the province to obtain a license for recycling water from WWTP for gardening use



**N**ot only within the organization, our commitment to sustainability extends to every part of the environment in which we operate, including:

- Ensuring adequate hydration and access to clean water and sanitation for employees through the WASH at Workplace program
- Providing access to clean water for dairy farmers in Jemowo Hamlet, Boyolali





# Wastewater Management

[GRI 306-1]

We discharge our treated water to the Gajah Wong, Deleran and Citarum rivers. We carefully designed and built our Wastewater Treatment Plant (WWTP) at all of our plants to ensure that the water discharged is as clean as the water we withdraw.

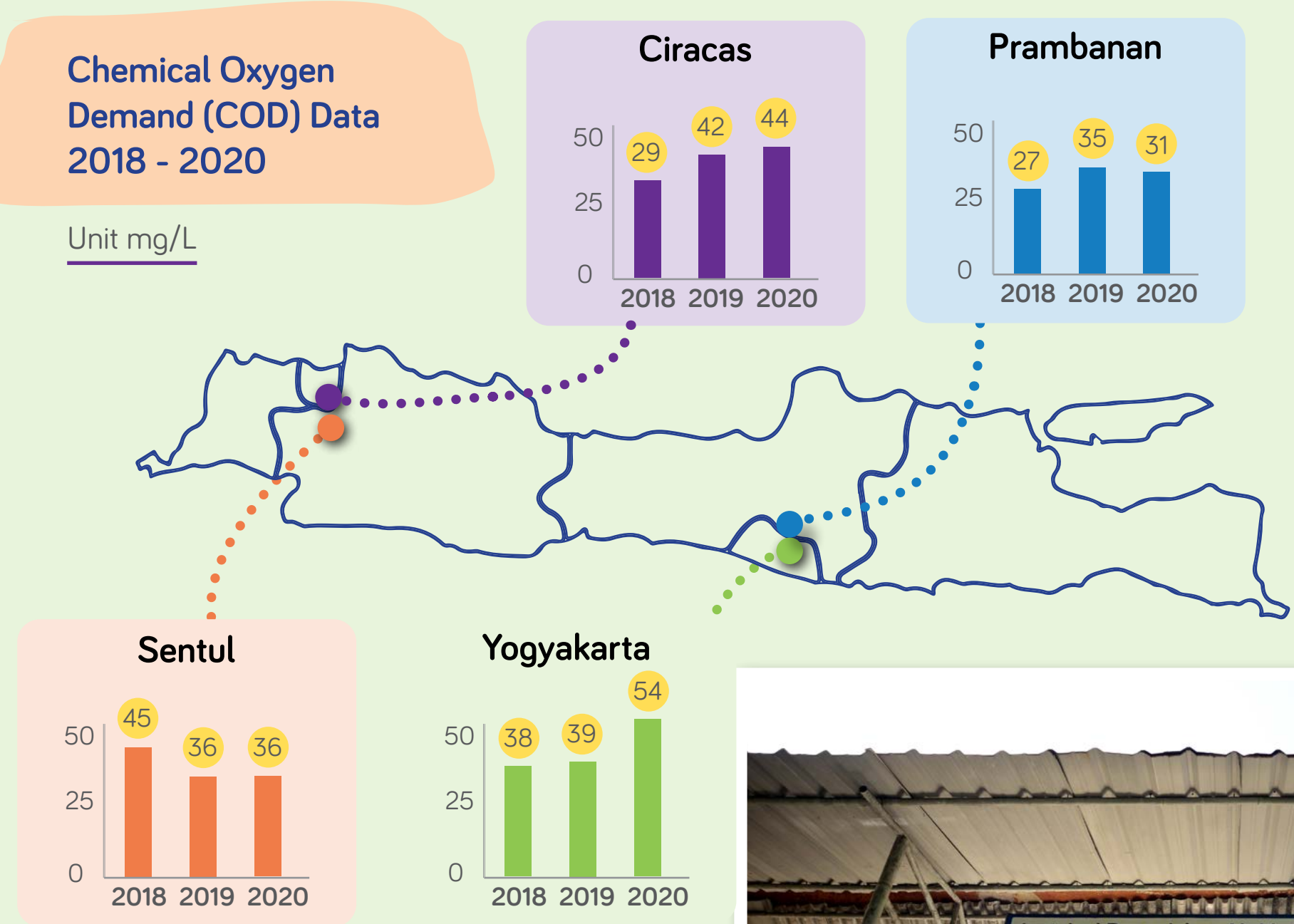
Our WWTP has complied with government quality standards and is assessed continuously by our specialised team called Wastewater Guardian.

- Our water quality is also measured by an external laboratory monthly.
- In collaboration with Gadjah Mada University, we utilised our WWTP sludge as a compost.
- We are planning to utilise WWTP sludge as a maggot feed in 2021.

Wastewater Destination	Unit	2018	2019	2020
Surface Water	m <sup>3</sup>	115,024.7	215,996.1	211,739.2

## Chemical Oxygen Demand (COD) Data 2018 - 2020

Unit mg/L



# Solid Waste Management

[GRI 306-2]

**W**e have maintained that spirit of efficiency across our value chain, working hard to reduce, reuse, and recycle our waste in innovative ways that benefit others outside our walls, in order to promote zero waste to landfill.

Our efforts in reducing waste begin with the production process. During the reporting period, Danone SN Indonesia has undergone efficiency initiatives to reduce waste production that has been successfully achieved due to our commitment in production process simplification. In managing waste from our operations, we apply the ISO 14001:2015 standard. Through 3Rs, Danone SN Indonesia has executed several programmes, including:

- Utilising production waste as an animal feed
- Recycling packaging and pallets waste through third party contractors
- Sending hazardous waste to a registered waste management contractor (PPLI)



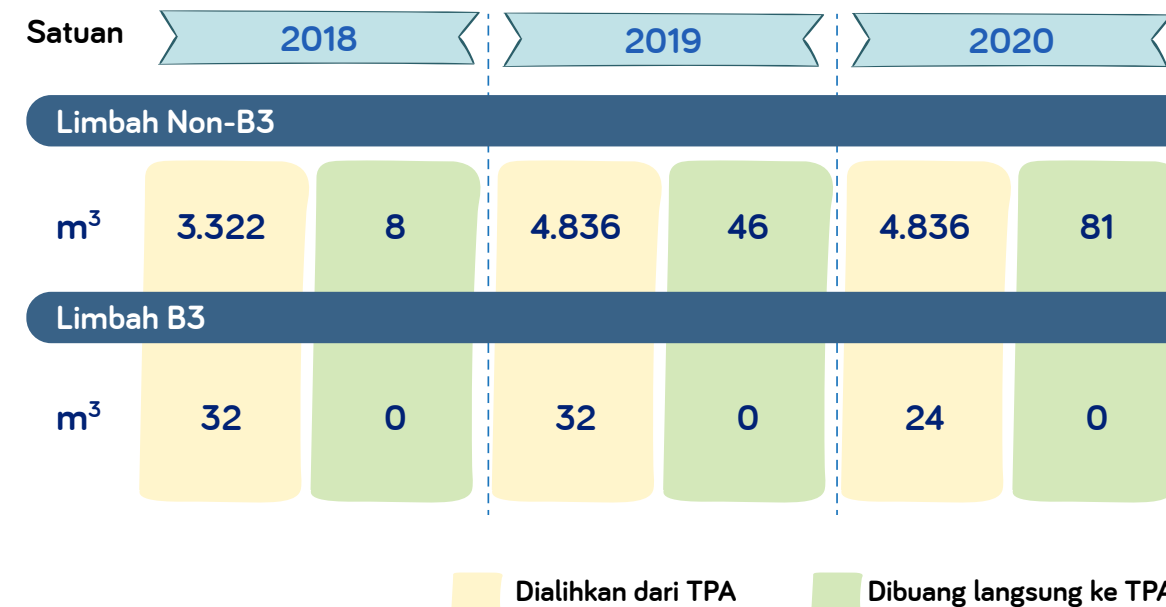
Nama Limbah	Pengelolaan Limbah
Limbah makanan (susu reject)	Pakan ternak
Lumpur IPAL	Kompos
Limbah kemasan	Daur ulang
Limbah B3	PPLI
Limbah domestik	Recovered atau TPA

100% of our product waste is being utilised, in line with our commitment to support zero food waste

**A**udits are important for us to reinforce the credibility of our environmental management practices.

In 2020, we conducted a Green Audit from Danone Global's Institute of Risk Management. We proudly achieved scores of above 900 out of 1,000 for all of our operations.

In the Program for Environmental Performance Rating (PROPER), held by the Ministry of Environment and Forestry in 2019, all of Danone SN's factories in Bogor and Jogja obtained a Blue Rating, indicating that those factories have met the prevailing environmental regulations.





## Green Office Programme

Conservation of the environment is a shared responsibility. The Green Office Programme is an effort to raise and teach green office practices among employees at Danone SN Indonesia. The programme that is held online covers:

- Segregation of waste for recycling and reuse
- Reducing printing and paper wastage
- Instilling the habit of reading documents on the screen
- Setting standard temperatures for air conditioning
- Replacing the snack box with a tray
- Efficient use of energy and water
- Raising awareness regarding the importance of domestic waste segregation into organic and non-organic



The Green Office Programme helped us in the handling of domestic waste, especially through waste segregation.

As part of our initiative to go beyond in terms of energy efficiency, this year we installed automatic lamps that can detect a human presence and will automatically turn off when there is no human in the room without the need to turn the lamp on and off manually.



In 2019-2020, the segregation rate generated during the Green Office program resulted in around 40 - 90%







- ☑ Stunting Prevention Programme
- ☑ Isi Piringku
- ☑ Generasi Sehat Indonesia (GESID)
- ☑ Warung Anak Sehat
- ☑ Duta 1000 Pelangi
- ☑ Taman Pintar
- ☑ Bunda Mengajar
- ☑ Rumah Bunda Sehat
- ☑ Milk Quality Improvement Programme
- ☑ Rumah Tempe

7

★ COMMUNITY  
DEVELOPMENT

★



**A**s an early life nutrition leader, we recognise the opportunity we have to make a difference in the lives of millions of people. Whether it is developing integrated communal dairy farms, giving counselling to prevent stunting, or teaching hard skills to the community in order for them to improve their economic status. Our community development programme is always designed to deliver the highest impact on its purpose. In addition to responding to the communities around us, the scope of our programme is also in accordance with:

- SDGs number 1 (End poverty in all its forms everywhere)
- SDGs number 3 (Ensure healthy lives and promote well-being for all at all ages)
- SDGs number 4 (Ensure an inclusive and equitable quality education and promote lifelong learning opportunities for all)

- SDGs number 8 (Promote inclusive and sustainable economic growth, employment and decent work for all)
- SDGs number 9 (Build resilient infrastructure, promote sustainable industrialisation and foster innovation)

We have created numerous programmes to provide financial or in-kind support for our socioeconomic empowerment activities.



### Our Approach

We identified 5 focuses of socioeconomic empowerment activities, i.e:



Health and Nutrition



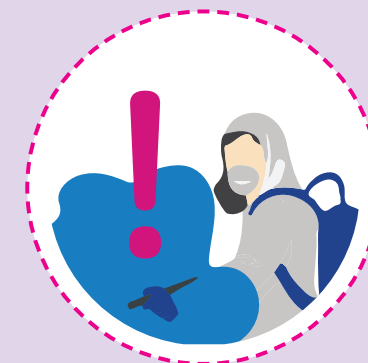
Early Childhood Education



Local Economic Development



Women Empowerment



Disaster & Special Needs

The programmes we have designed to support our focus of activity are as follows:

- Stunting Prevention Programme
- Isi Piringku
- Generasi Sehat Indonesia (GESID)
- Warung Anak Sehat
- Duta 1000 Pelangi
- Taman Pintar
- Rumah Srikandi
- Rumah Bunda Sehat
- Milk Quality Improvement Programme
- Rumah Tempe



**“A company’s responsibility does not end at the factory gate or the office door.”**

*- Antonie Rebound, 1972  
Former CEO of Danone*

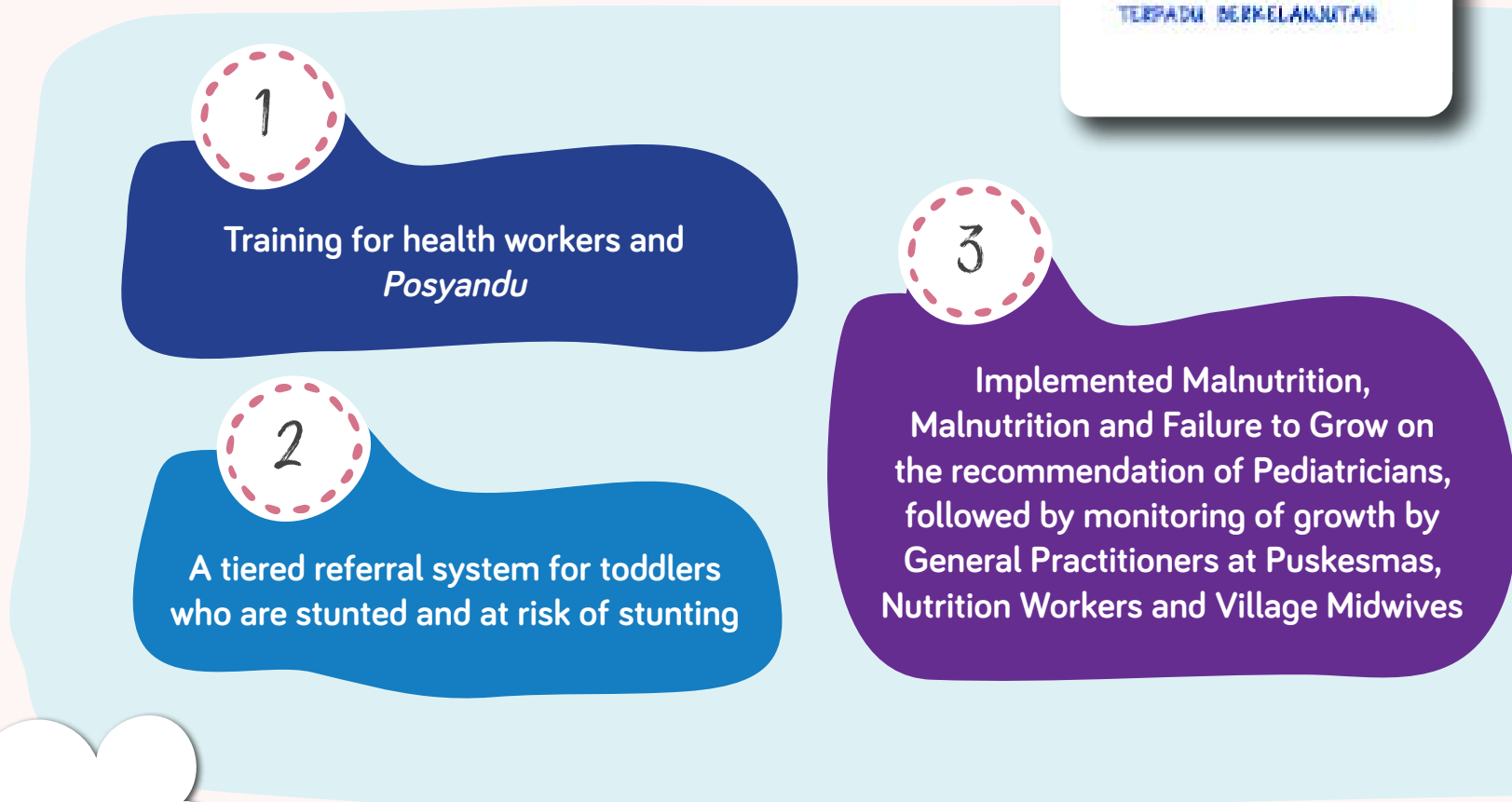
# Stunting Prevention Programme

In line with our 10 commitments to build and improve health quality, we focused on the Stunting Prevention Programme.



In 2019, there was expanded coverage for the Stunting Prevention Programme to several areas other than Pandeglang. We implemented the programme in several areas such as East Java, Central Java and West Java.

We have 3 main programmes covering the second and third steps of the stunting prevention programme framework. The three programmes are:







Reflecting on the success achieved in the implementation of the Stunting Prevention Programme in Pandeglang, we took the initiative to sign a Memorandum of Understanding (MoU) with Ministry of Village, Development of Disadvantaged Regions and Transmigration, to encourage programme replication in other areas. Initially, this programme would be implemented directly in West Java, but due to the pandemic, the activities were shifted to implementation through webinars.

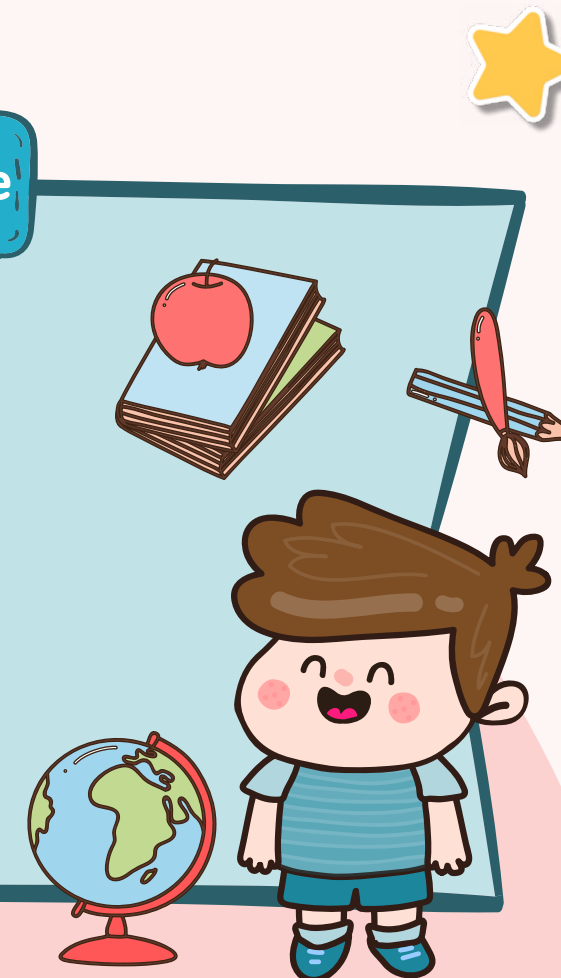
At the end of 2020, Danone SN Indonesia formed an online training concept with experts in Pandeglang, involving pediatricians and general practitioners. The training was carried out in 34 districts.

Efforts made throughout 2019 - 2020 were:

1. Together with experts, we implemented the Stunting Prevention Actions in Central Java Province, which was attended by 17 Regencies/Cities, then continued to East Java Province which was attended by 17 Regencies/ Cities and the last Province was West Java, where we met with the Chair of the TP PKK
2. Involvement with the National Team for the Acceleration of Poverty Reduction (TNP2K) and the Ministry of National Development Planning (Bappenas).

### Stunting Prevention Programme

We managed to conduct **61** webinars on Stunting Prevention Programme which was attended by around **10,000** participants in **400** districts and cities





## Isi Piringku

[GRI 413-1, FP-Healthy and Affordable Food]

As a company that is committed to bringing health through food and drink to as many people as possible, Danone SN Indonesia continues to be committed to supporting the government's target to reduce stunting in Indonesia. Therefore, Danone SN Indonesia developed the Isi Piringku programme which focuses on educating the public about the dangers of stunting and the importance of eating healthy foods.

In line with our focus on promoting healthy eating, we provide relevant advice and balanced nutrition information on staple foods, animal and plant proteins, fruits and vegetables, and recommend affordable nutritious menus. The suggestions and recommendations are aimed at parents and children, as well as kindergarten and early childhood teachers.

We have developed the contents of Isi Piringku with the Faculty of Human Ecology (FEMA) IPB, which is part of daily learning in their respective schools so that teachers can also innovate and be creative in teaching the importance of nutrition for children at the age of growth, namely ages 4- 6 years. With this effort, it is hoped that the food consumed by the students will always reflect the contents of Isi Piringku.

Danone SN Indonesia has trained partners to run this programme. The training has been carried out since the contents of Isi Piringku manual were first published. These partners will later educate the trained teachers in a predetermined city or district.



In 2020, we have reached:

Total Kabupaten/Kota			
PAUD		Guru	
2019	2020	2019	2020
1.288	1.259	3.778	1.762
Siswa		Orang tua	
2019	2020	2019	2020
43.774	23.912	45.409	23.899

Health and balanced nutrition have an important role in supporting the quality of children's education at an early age such as during the school from home period (PJJ). In the midst of the pandemic, Danone SN Indonesia conducted online training for teachers regarding how to deliver the contents of Isi Piringku to students.



As the government's partner in the stunting prevention programme, Danone SN Indonesia helps build in-depth knowledge about balanced nutritious eating and drinking habits through the creation of guidebooks, training for early childhood teachers and parents, as well as educational activities for children at home



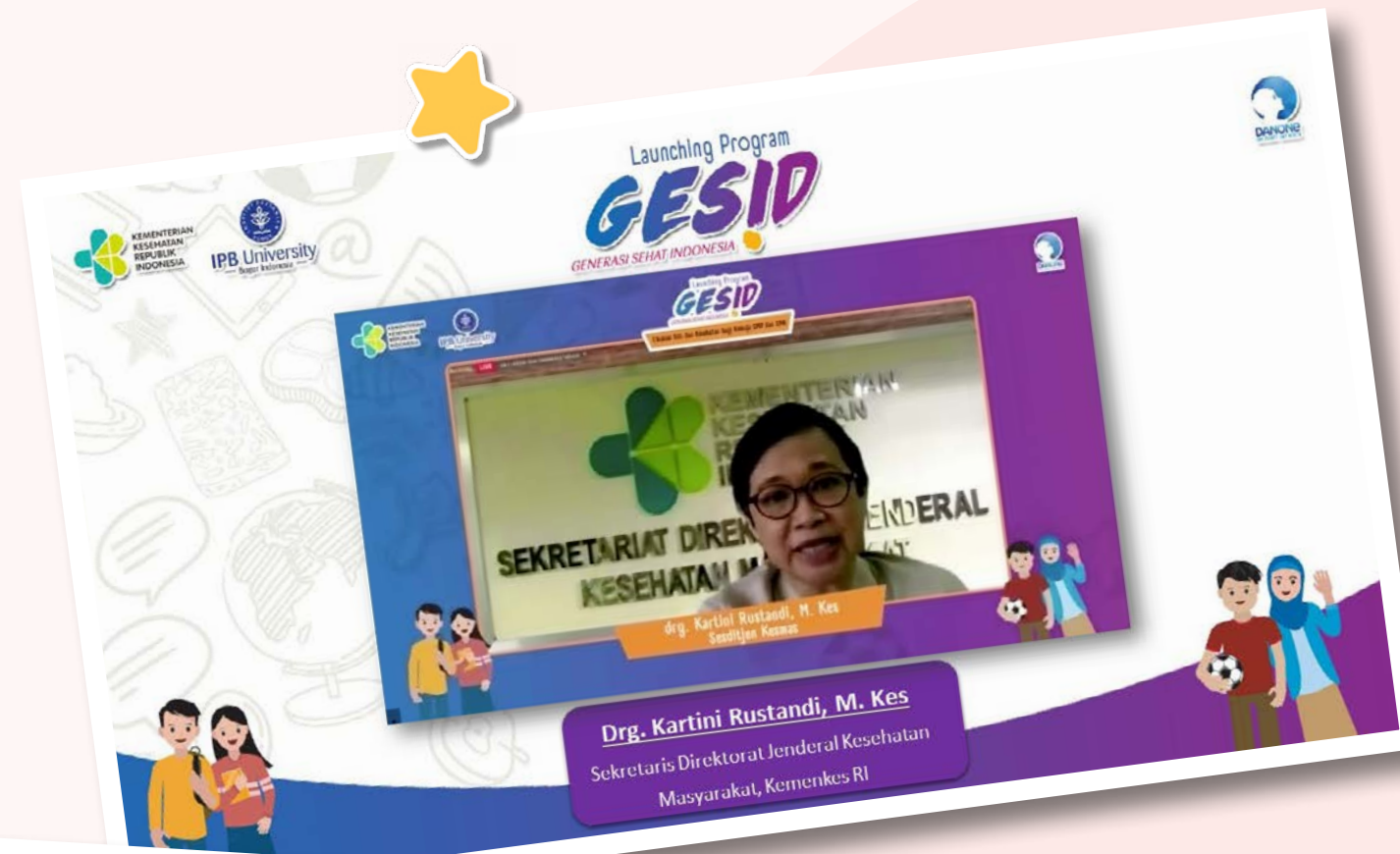
## GESID (Generasi Sehat Indonesia)

**D**anone SN Indonesia has long been involved in fighting stunting in Indonesia through various efforts. This year, we are proud to launch a new programme called Generasi Sehat Indonesia or GESID.

GESID was initiated to create a golden generation that is free from stunting among teenagers in Indonesia. By targeting middle and high school students, we hope this programme can encourage them to conduct peer education in schools. In addition, we involve teachers to carry out the mentoring process.

To support this programme, educational facilities in the form of guide books have been provided. Students are given education about healthy food to become GESID ambassadors as agents of change for a healthy generation. The contents of my plate is one of the materials in the GESID programme which contains balanced nutrition information that is tailored to the age range.

There are 3 modules called Aku Peduli, Aku Sehat and Aku Bertanggung Jawab. In the Aku Peduli module, the specifics of puberty, reproductive health and the first 1,000 Days of Life is explained. The Aku Sehat module contains the role of nutrition for health and quality of life, adolescent nutrition and anemia in adolescent girls and women of childbearing age. In the Aku Bertanggung Jawab module, there is material on preventing early marriage.



- 10 SMP dan SMA
- 60 Duta Gesit
- 20 Guru



Danone SN Indonesia hopes that the GESID guidebook can help the government to turn our children into the golden generation to meet the Golden Generation of 2045



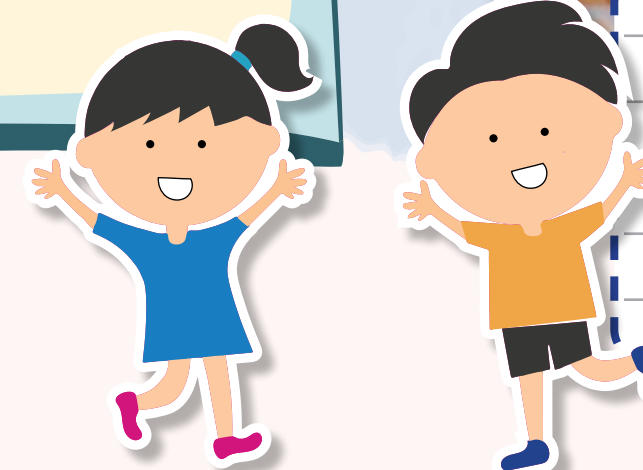
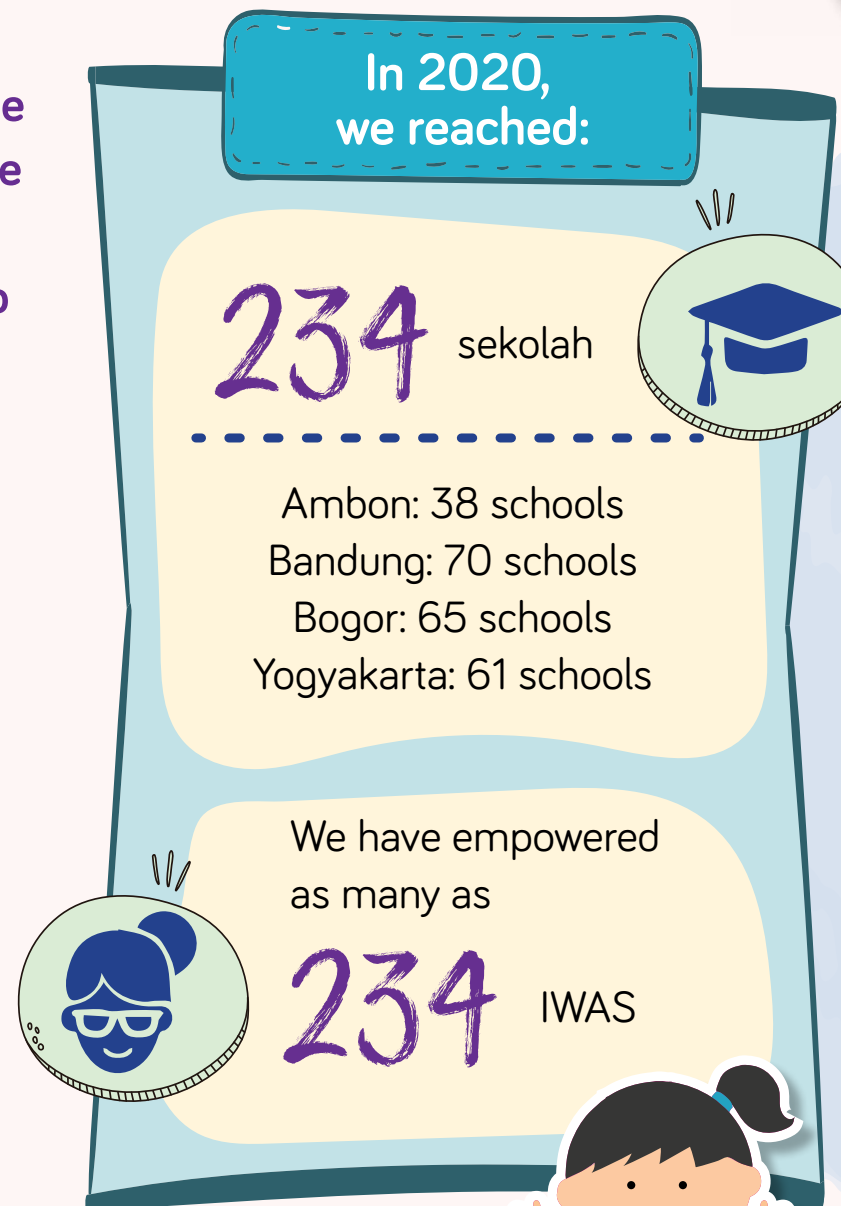
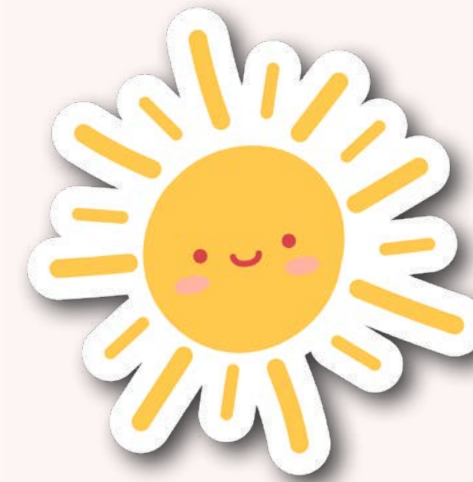
## Warung Anak Sehat

[GRI 413-1, FP-Healthy and Affordable Food]

The problem of nutrition and health of children at school, mainly lies in the fulfilment of balanced nutrition, which is often caused by the habit of consuming unhealthy snacks. This is the main reason for Danone SN Indonesia to develop the Warung Anak Sehat (WAS). The main target of this programme is to reduce malnutrition in children aged 5-12 years and educate children and teachers in schools. In addition, WAS also trains mothers to make nutritious and safe snacks, which is called Ibu Warung Sehat Anak (IWAS).

The mothers will be given training to open small stalls that sell healthy food products, both homemade fresh food products and industrial processed food products that are considered healthy for children. In addition to selling, the IWAS will share knowledge about nutrition and a balanced diet for children to the mothers of their customers.

Warung Anak Sehat is part of our Nine Long Term Goals, stimulating inclusive growth through empowering women which is our contribution to supporting the sustainable development goal of accelerating gender equality. This is in line with the vision of “One Planet, One Health” to bring health to as many people as possible through healthy nutrition and hydration as well as sustainable programmes.



Support for IWAS is provided through engagement (education, communication, support), changing the business system to be online-based, and improving entrepreneurial skills



## Duta 1000 Pelangi

[GRI 413-1, FP-Healthy and Affordable Food]

**We participate in efforts to improve the quality of the nation's generation by ensuring employees and their families have a good nutritional status**

In addition to customers, by providing quality products, the company is also very concerned about the nutritional status of employees' families, especially in the first 1000 Days of Life (1,000 Hari Pertama Kehidupan or 1,000 HPK). This activity aims to monitor the nutritional status of the family and provide education on child growth and development through talk shows by psychologists and pediatricians.

Since 2019, we have been exploring ways to find different methods to attract more participants. When employees register voluntarily, it is concluded that they want to increase their knowledge, so the results indicate a higher level of activity and maximum programme implementation.

In 2020, to prevent the spread of Covid-19, Danone SN Indonesia utilised digital technology for programme implementation so that all

activities, both monitoring home visits and workshops, were carried out online.

At the end of 2020, Danone SN Indonesia initiated 1,000 Pelangi Goes to Community which took place in Yogyakarta, where we provided assistance for pregnant women and mothers with toddlers. In collaboration with the city government and related agencies, including the Health Office, Danone SN Indonesia conducted trials in 3 sub-districts where Danone SN Indonesia operates.



Other improvements for 2019 - 2020 were:

**Collaborating with partners (3rd party) to implement this program**

**Adding more workshops**

**Providing pocket books:**

This book contains nutritional status data and information related to 1,000 HPK, such as:

- Participant Personal Data
- A Nutritional Status Monitoring Table
- 1000 HPK Educational Material
- Record of activity participation
- Pre-Post Test scores

This book is also expected to help recipients if they are unable to attend the workshop, so that their nutritional status can be monitored through the pocket book.

**Home visit**

In 2019, at least 50% of participants were visited at home while in the previous year only a few were visited. To further help mothers, we also do online consultations.

**Digital consultation**

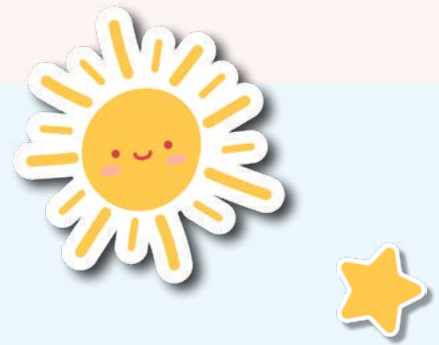
- Pregnancy Monitoring App
- Applications for Breastfeeding Mother Care
- Child Development Apps

**Education Booth at Workplace**

We coordinate with the F&S of each factory to set up an educational stand that includes consultations and health checks, attended by a Public Health Nutritionist.

**Graduation**

Participants who passed were those who had reached 1000 HPK with good nutritional status.





## Taman Pintar

[GRI 203-1, GRI 413-1]

**T**aman Pintar, an educational theme park located in Special Region of Yogyakarta, aims to improve the physical, mental, emotional and social health of children aged 4-6 years as well as parents who participate in educational programmes at Early Childhood Education (PAUD) Taman Pintar and kindergarten school children located around Taman Pintar who attend the educational programmes.

Interactive classes for mothers were conducted to deliver the importance of early childhood nutrition intake as well as the effect of parenting and games on the child's psychological growth.

Additionally, a number of activities were also done:

- Promotion of health, nutrition, and parenting education activities at Taman Pintar regularly on social media (Instagram, Facebook and Twitter).
- Distribution of flyers to Taman Pintar visitors before the programme starts.
- Direct involvement of kindergarten/PAUD schools





# Bunda Mengajar

[GRI 203-1, GRI 413-1]

Through the concept of Community Development, by partnering with Justice Cares for the People Post (Pos Keadilan Peduli Umat/PKPU), we invite the community as the subject as well as the main object in programme implementation, so that they can understand well the capacity and potential of the community and maximise it to improve the quality of life in their own area.



Started by visiting the coordinators of each RW from Bunda Mengajar, Bumijo Village and sub-district parties

**Programme Implementation**

It is hoped that 2 Bunda Mengajar groups will increase in each RW

**Adding New Groups**

Since COVID-19 first emerged, mentoring has been done online. The first assistance is about preventing COVID-19 and learning methods at home with children or grandchildren

**PAUD facilitation and activities**

Assistance in urban farming activities is carried out by visiting demonstration plots as well as farmers' homes. However, during the COVID-19 pandemic, assistance was carried out online via Whatsapp

**Urban Farming activities assistance**

Finding out the problems regarding mother/baby centers, PAUD, and Urban Farming groups in the targeted areas through Google Forms

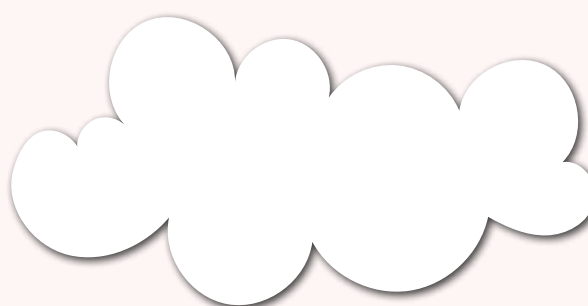
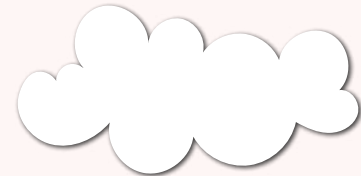
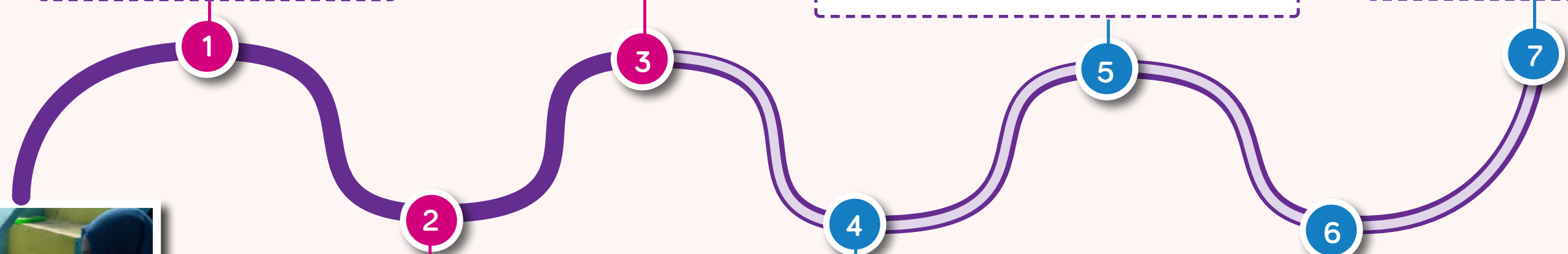
**Baseline Survey**

The *Posyandu* activity mentoring was carried out twice online.

**Posyandu activities assistance**

It is hoped that the expansion of urban farming in each RW will contribute to community food security during the COVID-19 pandemic

**Expanding Urban Farming**





## Rumah Bunda Sehat

[GRI 203-1, GRI 413-1, *FP-Healthy and Affordable Food*]

One of our initiatives to educate women from underprivileged backgrounds was to establish Rumah Bunda Sehat (RBS) back in 2016. RBS Centre became a place for educating Moms as well as a place to teach *Isi Piringku*, therefore facilities such as a kitchen for cooking demonstrations are available. There are also practical activities such as handicrafts to increase Moms empowerment from an economic perspective.

RBS has ambassadors who, in relation to health, are specifically trained on subjects including balanced nutrition, management of sick toddlers, and nutrition for pregnant women and breastfeeding mothers. In addition, there are also technical exercises on how to convey this material to other mothers in public.

In 2019, we established RBS Satellite offices to support the RBS Centre. These satellites are located around the RBS Centre. Since the establishment of the RBS Satellites, activities related to *Posyandu* can be held in Satellites thus widening our reach. RBS Satellite offices also help mothers' efforts in conducting peer to peer education.

With increasing activities, we are also adding more ambassadors. Today there are more than 30 ambassadors, both in the RBS Centre and RBS Satellites.





## Milk Quality Improvement Programme

[GRI 203-1, GRI 413-1]

**A**s a company that provides nutrition for mothers and children, we are committed to supporting the government in providing optimal nutritional intake for Indonesian mothers and children. This is done not only through the provision of quality nutritional products but also through various support programmes, one of which is the Milk Quality Improvement Programme. The programme, which has been implemented since 1991, aims to encourage farmers to produce better quality milk in order to contribute to improving the welfare of local communities.

The increase in demand for milk is not in line with the availability of local farmers' supply due to inadequate quantity and quality. The growth in consumption of cow's milk per year reaches five percent, but local cow milk production only increases by two percent per year, with various quality ranges.

Through this programme, we encourage the improvement of fresh milk quality through three approaches, namely:

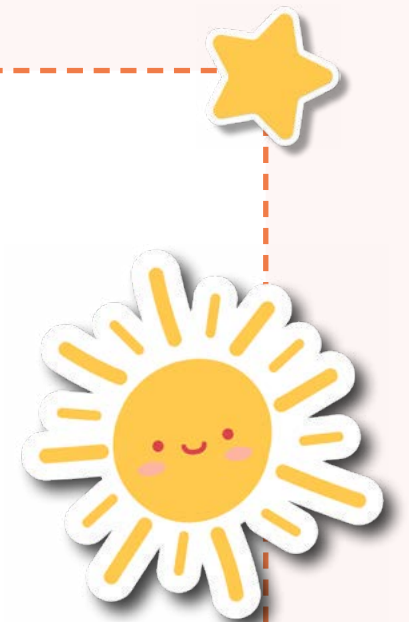


Key action:

- Roadmap for local milk sourcing
- Secure our existing sources (exclusive buy)
- Partnership model for a bigger impact and credibility

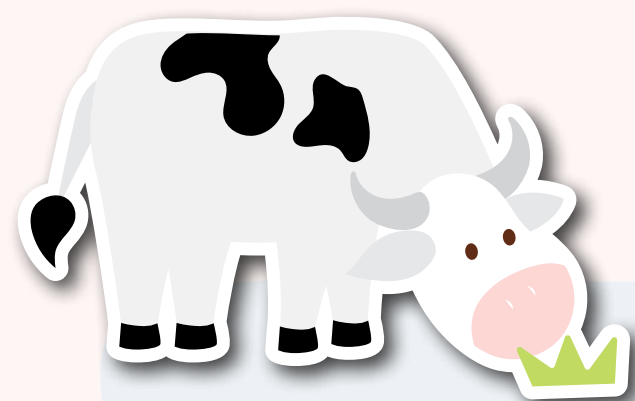
Several Improvements have been made within our current network:

- Regular TVC monitoring and hygiene check of milk equipment
- Lowering aflatoxin levels
- Conducting technical training for farmers and cooperative management
- SOP assistance and improvement
- Tools & Equipment support to farmers/cooperatives
- Pilot cage project





We have identified some of the main problems in improving the quality of milk, such as productivity, milk quality, and the socio-economic conditions of farmers. To answer these three problems, we present 2 excellent programmes, namely:



### Demo Farm & Farmer Academy

Demo Farm is conducted by demonstrating the best practices of farm management, including warehouse design, feeding management, and hygiene. Meanwhile, Farmer Academy is a facility for conducting training and research. It is hoped that farmers can gain knowledge about an ideal integrated agricultural management system, such as feed production, cattle rearing management, milk storage and collection and waste management through biodigester and composting processes.

### Water Access Program & Water Ad-lib Program

We built water source facilities for farmers and the community around Dusun Jemowo, Musuk District, Boyolali Regency which is the place where our dairy farmers are located. We also equipped it with piping and electricity sources as well as community management assistance.

In addition, we also provide storage tanks and through cooperatives provide credit schemes for farmers to improve water access or build rain harvesting systems, especially for areas that do not have water sources. We also have an Ad-libitum programme that allows access to water for the cows at any time, so that the cows are free from thirst and this is in line with the Animal Welfare policy at Danone.





## Rumah Tempe

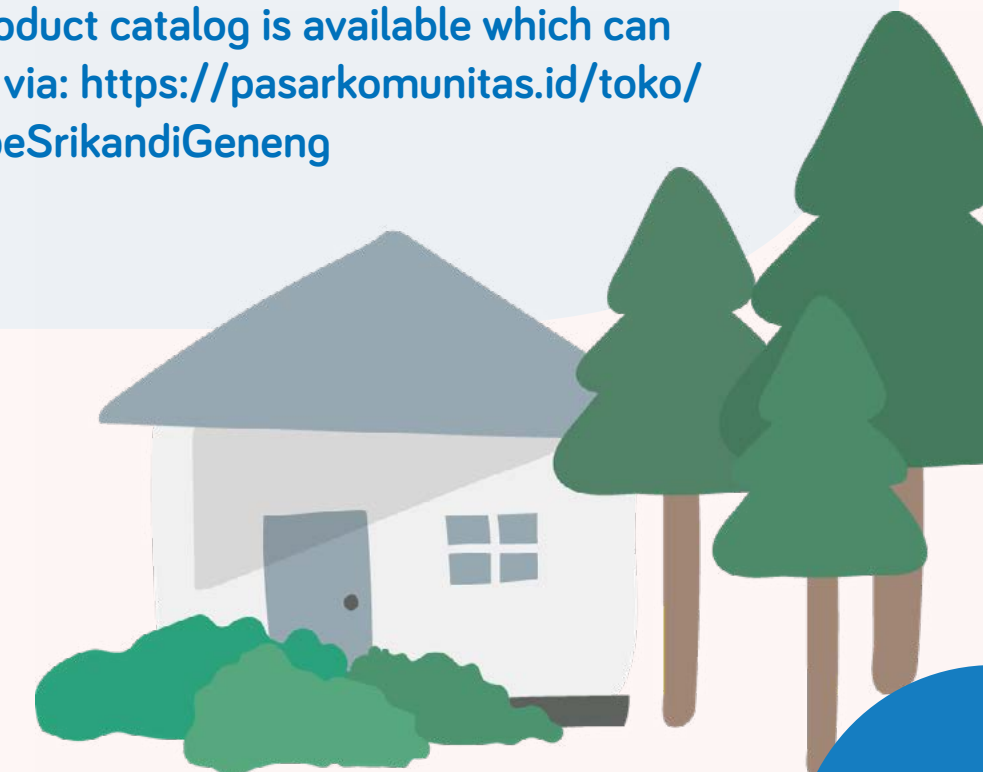
[GRI 413-1]

**R**umah Tempe Srikandi Geneng (RTSG) Programme, established in 2017 as part of the economic empowerment programme and carried out in Geneng Village, Prambanan, Klaten, is an early initiation programme, thus it does not yet have a stable market. Coupled with the pandemic conditions, sales were even more badly affected due to reduced direct marketing access, both through traditional markets and exhibitions.

In order to help RTSG survive during the pandemic, in 2020 we conducted marketing assistance and brand strengthening through digital platforms, which was preceded by workshops to change mindsets and design joint programmes.



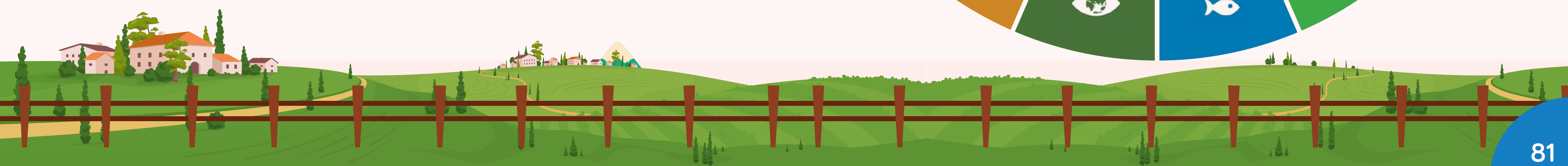
1. There are 15 representatives from RTSG, Pemdes Geneng & Bumdes Geneng who are committed to running training and mentoring programmes
2. Implemented one training session with a duration of 2 days with material on changing mindsets, goal setting and business model simulations
3. The establishment of the RTSG brand took sustainability as a strategy and part of the business plan
4. Increasing product value from design and innovation in the form of sustainability brand book for RTSG
5. An online product catalog is available which can be accessed via: <https://pasarkomunitas.id/toko/RumahTempeSrikandiGeneng>





# SDG COMPASS

Through various ongoing efforts and activities, we have contributed to the achievement of the Sustainable Development Goals which can be seen through the following SDG Compass.





# GRI INDEX

GRI Standard 2016	Disclosure		Page	Omission
<b>General Disclosure</b>				
GRI 102: General Disclosures	102-1	Name of the organization	6	
	102-2	Activities, brands, products, and services	6, 8-10	
	102-3	Location of headquarters	19	
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	102-14	Statement from senior decision-maker	3	
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GRI Standard 2016	Disclosure		Page	Omission
	102-47	List of material topics	23	
	102-48	Restatements of information	There is no restatement of information	
	102-49	Changes in reporting	19	
	102-50	Reporting period	19	
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	102-54	Claims of reporting in accordance with the GRI Standards	19	
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<b>Economic</b>				
<b>Market Presence</b>				
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GRI 202: Market Presence	202-2	Proportion of senior management hired from the local community	38	
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GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	74-77	



GRI Standard 2016	Disclosure		Page	Omission
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GRI 103: Pendekatan Manajemen	103-1	Penjelasan topik material dan Batasannya	58-59	
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GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundaries		
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		
GRI 304: Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		
	304-3	Habitats protected or restored		
	304-4	4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		
<b>Emissions</b>				
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundaries	58-59	
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	103-3	Evaluation of the management approach	58-59	
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GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundaries	63-64	
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GRI Standard 2016	Disclosure		Page	Omission
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GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	40		
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GRI 404: Training and Education	404-1	Average hours of training per year per employee	38		
	404-2	Programs for upgrading employee skills and transition assistance programs	38		



GRI Standard 2016	Disclosure		Page	Omission
<b>Diversity and Equal Opportunity</b>				
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GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundaries	53	
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<b>Food Processing Sector Disclosure</b>				
G4-FP6		Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars	47, 50, 52	
<b>FP-Healthy and Affordable Food</b>		Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote access to healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need	70, 72-73, 76	
<b>FP-Product and Service Labelling</b>		Communication policies and practices for consumers regarding nutritional ingredients and information outside of legal requirements	54	



**DANONE**  
ONE PLANET. ONE HEALTH

**"WE BELIEVE A HEALTHY BODY NEEDS HEALTHY FOOD. AND  
HEALTHY FOOD NEEDS A HEALTHY PLANET. WE BELIEVE IN  
A FOOD AND WATER ECOSYSTEM THAT WORKS IN HARMONY  
WITH PEOPLE, COMMUNITIES AND THE ENVIRONMENT"**

**-CONNIE ANG**