



Press Release – Yogyakarta, Indonesia, July 29, 2019

Danone Inaugurates Expanded World-Class Research and Innovation Center in Yogyakarta

Expanded center to support product innovations tailored to unique needs of Indonesian consumers

Yogyakarta, Indonesia (29/07/2019) – Danone today officially inaugurated its expanded Danone Nutricia Research – Sarihusada Research & Innovation Center in Indonesia. The Center is located in the Sarihusada factory in Muja Muju, Yogyakarta. Equipped with advanced science and technology capabilities, the Center is key in accelerating Danone's efforts in developing high-quality nutritional product innovations that are critical to tackling common health issues in Indonesia, such as stunting and anemia¹.

The expansion includes equipping the Center with four high-tech facilities, namely the Pilot Plant, Product Development and Raw Materials Laboratory, Sensory Laboratory and Packaging Laboratory. These facilities, which are part of Danone's global research and innovation activities focused on specialized nutrition, will enable the company to independently perform product prototyping simulations, starting from scientific and technological insight to clinical studies for safety and efficacy, product development, packaging and sensory studies until such prototyping is ready for industrial scale production.

Connie Ang, President Director of PT Sarihusada Generasi Mahardhika says: "Danone is committed to bringing health through food to as many people as possible. Indonesia is an important market for us, and our focus here is to help address nutrition fulfillment obstacles faced by mothers and children, such as faltering growth and stunting. For more than six decades, Sarihusada, –a Danone affiliate – has been a trusted partner in providing nutritious product innovations locally. Thus, the expanded Danone Nutricia Research – Sarihusada Research & Innovation Center underlines our commitment to the Indonesian market, as we continue to advance research and innovation within Indonesia while drawing upon our global R&I capabilities and network."

"The expansion of this facility will help us put research and innovation front and center, to ensure a well-rounded approach to developing products locally. Having the Center in the same location as our operations and manufacturing site will also enable us to more easily conduct in-depth research, gain insights directly from consumers, and accelerate product testing and production, while ensuring the quality of our products meet international standards," said Beneace Steffens, Research & Innovation Director of Danone Nutricia-Sarihusada.

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At the inauguration ceremony today, guest of honor, Hariyadi Suyuti, Mayor of Yogyakarta said, "We support the presence of this advanced innovation center in Yogyakarta city. This facility is a significant milestone for Sarihusada and Danone which have long been part of Yogyakarta city."

"We hope this facility will bring greater benefit to the community and help the children of Indonesia grow and develop healthily through better nutrition. We feel proud to have this facility in our city, as this will bring more recognition to Yogyakarta as the city of education and center of excellence for nutrition innovation," added Hariyadi.

"We believe in the power of nutrition to improve people's overall health and well-being. To this end, we are investing in people and combining our best capabilities in science and technology in Yogyakarta – here in Indonesia's heartland and close to our customers – to develop nutritionally-advanced solutions in our local factories that help build a healthier Indonesia," said Connie ANG.

Danone-Sarihusada first established its Research & Innovation Center in Yogyakarta in 2011. Over the past eight years, the Center has undergone continuous transformation to incorporate new technologies and capabilities. With an onsite pilot plant, the Center will support the process of prototyping new products intended for Indonesia and other markets in the region, thereby boosting the efficiency of our product innovation process.

Danone's Specialized Nutrition portfolio comprises both early life nutrition and medical nutrition. The company seeks to positively impact the health and wellbeing of people at key times of life, through the provision of innovative and scientifically-backed nutritional products.

1 Stunting is one of the most crucial health problems that occurs in children under 5 years of age, where the prevalence of stunting in Indonesia is 31% in 2018. Anemia is found to increase in pregnant women from 37% in 2013 to 49% in 2018. Children aged under 5 years are also at high risk of anemia [National Basic Health Research, 2018].