



# Sustainability Report **2023**



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MESSAGE FROM PRESIDENT DIRECTOR

**FX. RUDY MULYONO** President Director of PT Solunova Alami Indonesia

# MESSAGE FROM PRESIDENT DIRECTOR

As the President Director of PT Solunova Alami Indonesia (SAI), I lead a company focused on developing innovative flavor solutions and functional blends that go beyond the F&B industries. Our mission centers around innovation, collaboration, and sustainable practices to make a positive impact within our industry and beyond.

With a vision to become a global partner in flavor solutions and functional blends, we prioritize excellence in all our initiatives. PT Solunova Alami Indonesia is pleased to introduce our inaugural sustainability report, showcasing our dedication to People, Partnership, and Planet in line with the Sustainable Development Goals (SDGs). Through innovation, collaboration, and sustainable approaches, we are striving for a more flavorful, sustainable, and prosperous future for all.

The 2030 Agenda for Sustainable Development, adopted by all United Nations (UN) member states in September 2015, includes 17 SDGs designed to serve as "a blueprint to achieve a better and more sustainable future for all".

PT Solunova Alami Indonesia focuses on developing natural-based ingredients and flavor products beyond F&B industry, committed to operating not only for profit but also to actively participate in the SDGs with the 5P (People, Planet, Prosperity, Peace, Partnership) concept that focuses on People, Planet, and Partnership in every stage of its production chain. We believe our long-term success is closely tied to our ability to contribute to sustainable development, respecting social and environmental aspects, and local and global governance.



## PT Solunova Alami Indonesia (SAI)

Kawasan Industri Kendal, Jalan Indraprasta No.9 Wonorejo, Kaliwungu, Kendal, Jawa Tengah 51372

# **CERTIFICATION:**



ISO 9001





# **OUR MISSION:**

To create next generation flavor solution and functional blends beyond F&B industries through innovation, partnership and sustainable business practices.

# **OUR VISION:**

To be the world's strategic partner in flavor solutions and functional blends.



# **PEOPLE**

PEOPLE

Reflecting UN SDG





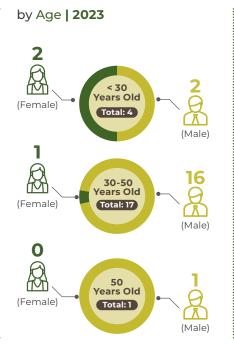


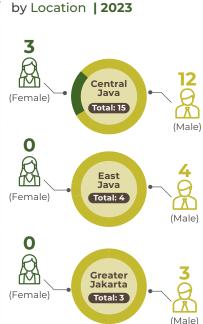


ligned with the company's business growth and development, we prioritize enhancing the quality of our employees as our primary focus. Embracing principles of openness and fairness, we offer broad opportunities for individuals from diverse backgrounds to join us at SAI. Our HR team has implemented efforts towards transparency in employee recruitment by adopting an internal e-recruitment system, making monitoring and evaluation processes more streamlined.

# **EMPLOYEE DATA**

by Level | 2023 0 Director (Female) (Male) 0 Manager (Female) (Male) 3 Staff (Female) (Male)





**Total Employees** (2023)



Female



### **EMPLOYEE WELL-BEING**

SAI is committed to ensuring the well-being of employees by providing salaries that comply with government regulations. Additionally, we offer bonuses as a form of recognition and appreciation for employees' dedication and hard work. This policy reflects our adherence to laws and labor standards while affirming our commitment to creating a fair and supportive work environment. Through this approach, SAI aims to motivate employees, enhance job satisfaction, and ultimately drive higher performance and stable employee retention.

This policy reflects our adherence to laws and labor standards while affirming our commitment to creating a fair and supportive work environment.



Figure 1. Weekly internal meeting at SAI

In 2023, our company organized an outing event to reward employees. This initiative offered a chance for staff to unwind and socialize beyond their regular work setting. By hosting this event, our goal was to express gratitude for employees' hard work and commitment towards accomplishing the company's objectives. The outing facilitated team bonding and morale-boosting and fostered a cohesive work environment that values a healthy work-life balance and enhances overall employee satisfaction at SAI.

SAI offers a platform for employees to nurture their interests and talents, aiming to support work-life balance and the well-being of all staff. This initiative involves organizing group activities like yoga, badminton, and futsal to encourage employees to explore their passions and skills. Furthermore, SAI partners with professionals and experienced psychologists to provide counseling services tailored to individual needs. Additionally, through the corporate group, SAI hosts monthly webinars on various health topics, including health talks. The company provides a lactation room and a health room accessible to all employees.

### TRAINING

As a company dedicated to the professional growth of our employees, SAI consistently conducts training programs for both soft and hard skills for all team members. These programs are tailored to enhance employees' competencies in various areas, including interpersonal skills, leadership, and job-relevant technical knowledge. By investing in this training, SAI develops individuals and strengthens the organization as a whole.

With employees' growing expertise, we are confident in delivering high-quality services and products that align with industry standards and exceed customer expectations.

# • Training in **2023**





### · Learning Hours in 2023 ...





# Learning Hours per Category 2023





Figure 2. SEDEX (SMETA) online training

# **INTERNSHIP PROGRAM**

SAI has demonstrated its commitment to developing education and professional training through strategic partnerships with educational institutions. In this effort, we have established partnerships with vocational high school, SMK N 1 Temanggung, and Mangunwijaya Catholic Polytechnic to implement internship programs. This program is designed to allow students to learn directly in an industrial environment, enrich their experiences, and prepare them with the skills needed to enter the workforce. This collaboration reflects our dedication to developing young talent and our commitment to contributing to enhancing the quality of human resources in the industrial sector.

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Figure 3. Student from Mangunwijawa Catholic Polytechnic interning at SAI Application Lab

· Internship in 2023





PEOPLE

Figure 4. Employees working in SAI's open-plan office

# **DIVERSITY & INCLUSION**

SAI views diversity, equal opportunities, and non-discrimination as core principles that must be upheld in every aspect of the company's operations and culture. We understand that each individual has unique value and contribution, and we are committed to creating an inclusive and supportive work environment for all team members, regardless of background, gender, religion, age, sexual orientation, or other personal characteristics. At SAI, we ensure everyone has an equal opportunity to develop, progress, and achieve their full potential.

We aim to increase the representation of women in our workforce by by 2030.

Through fair and transparent human resource management policies, we uphold the principle of equal opportunities in employee recruitment, promotion, and development. We also prohibit discrimination or harassment in the workplace and provide support and resources for employees facing unfair or discriminatory situations.

We aim to increase the representation of women in our workforce by 25% by 2030. By embracing these values, SAI is committed to being a professional, inclusive, and safe workplace for all individuals, strengthening a productive, collaborative, and diverse work culture.



SAI is fully committed to responsible and ethical business practices, including enforcing the prohibition of child labor and forced labor. We ensure that all our operations comply with applicable laws and regulations and international human rights and labor standards. In every aspect of our business activities, SAI takes proactive steps to identify and eliminate the risks of child labor and forced labor. This policy is strictly enforced through recruitment processes, internal monitoring, and external audits to ensure a workplace free from exploitation. We believe that fair and ethical business practices are the foundation of our long-term success and strengthen our commitment to sustainable development and corporate social responsibility.



**Figure 5.** Operator fully equipped with personal protective gears







# **PARTNERSHIP**

# Reflecting UN SDG number:









n our sustainability journey, partnerships are pivotal in shaping our impact and contributing to a sustainable ecosystem. From collaborations with educational institutions to engagements with the local community and supply chain actors, these partnerships are the foundation of our commitment to sustainability and responsible business practices. By working with these key stakeholders, we aim to create lasting value, drive positive change, and build a more sustainable future for all.

# PARTNERSHIP PROGRAM WITH EDUCATIONAL INSTITUTIONS

The partnership program with universities and educational institutions is one of SAI's critical strategies in strengthening relationships and bridging the gap between the education sector and the industry. Our partners include:

# Satya Wacana Christian University (UKSW)

SAI has established cooperation with UKSW in various fields, including product development and laboratory analysis for biopesticides. Through this collaboration, SAI works with researchers and experts at UKSW to develop the latest products and conduct necessary laboratory analyses to ensure the quality and safety of the biopesticides that are produced. This collaboration provides mutual benefits,

where SAI can access high-quality research resources while UKSW can apply its research in a real industrial context.

# State Vocational High School 1 (SMK N 1) Temanggung

SAI provides internship opportunities to students from SMK N 1 Temanggung and offer practical experience in a real work environment. Through this internship program, students can learn directly from industry professionals and gain valuable insights into the production processes, techniques, and quality standards applied at SAI. This internship program also helps students develop skills and understanding relevant to the working world, making them more prepared to enter the workforce after graduation.

• Mangunwijaya Catholic Polytechnic
SAI has also partnered with
Mangunwijaya Catholic Polytechnic in
an internship program. Through this
program, students from Mangunwijaya
Catholic Polytechnic are given the
opportunity to gain practical experience
within industry setting and apply the
knowledge they have learned in class
to real work contexts. SAI provides
guidance and support to students
during their internship period and
opportunities to participate in relevant
and engaging projects.

Through these partnership programs, SAI is committed to supporting education and the development of a young workforce while also benefiting from the innovation, resources, and talent offered by partner educational institutions. This creates a mutually beneficial environment for both parties and strengthens the relationship between the education sector and the industry.

# This creates a mutually beneficial environment for both parties and strengthens the relationship between the education sector and the industry.



Figure 6. Internship program at SAI



Figure 7 & 8. SAI application & innovation lab

In the future strategic plan, SAI has set targets to collaborate with the Plant Pest Forecasting Center. The main objective of this collaboration is to conduct trials of biopesticide products and comprehensive laboratory and efficacy tests. This collaboration is expected to enhance the credibility and effectiveness of biopesticide products developed by SAI and make a significant contribution to environmentally friendly pest and disease control efforts in agriculture.



SAI aims to strengthen its position as a leader in innovation in the biopesticide industry while supporting sustainable agriculture in Indonesia. Through this collaboration, SAI aims to strengthen its position as a leader in innovation in the biopesticide industry while supporting sustainable agriculture in Indonesia.

# **COMMUNITY ENGAGEMENT**

The partnership program with the local community around the factory marks a significant milestone in SAI's efforts to strengthen relationships with the environment and engage with the community.



Figure 9. Reusing crude nicotine waste

- Turning Crude Nicotine Waste into
  Fertilizer: Through this initiative, SAI
  collaborates with the local community
  to convert crude nicotine waste from
  production into organic fertilizer for local
  agriculture. This reduces factory waste
  and brings economic and environmental
  benefits to the community. Additionally,
  repurposing waste into valuable
  products helps raise awareness about
  environmentally friendly practices.
- Giving Qurban Goats to the
  Community: As part of its social
  commitment, SAI provides Qurban
  goats to the local community near
  the factory. This program aids those
  in need, especially during the Qurban
  festival, while strengthening the bond
  between SAI and the community and
  lamenting trust and support for the
  company's presence in their surrounding
  environment.

By engaging in community partnership programs, SAI operates as a business entity and a responsible community member committed to social and environmental sustainability. Collaboration with the local community aims to create a lasting positive impact and contribute to improving quality of life for all involved parties.

# STRATEGIC PARTNERSHIP WITH SUPPLIERS

SAI has strategically enhanced its dedication to environmental and social sustainability by forming partnerships with raw material suppliers for flavor production. This collaboration extends beyond mere transactions, focusing on joint efforts that uphold sustainable practices across the entire supply chain.

Emphasizing transparency and accountability, this partnership involves regular joint audits and performance evaluations between SAI and its raw material suppliers to ensure compliance with agreed sustainability standards in production and sourcing activities. Both parties are committed to fostering innovation, enhancing efficiency, minimizing waste, and advocating for renewable energy sources. Presently, more than 67% of our supply chain (purchased volume) adheres to our Code of Conduct and proactively minimize environmental impacts and ensuring compliance with existing regulations.

This partnership underscores SAI's commitment to sustainable business practices and showcases a mutual dedication to creating a broader positive impact on the environment and society. Through these efforts, SAI aims to inspire and encourage other industry stakeholders to embrace more responsible and sustainable approaches in their business operations.



Reflecting UN SDG number:







SAI has taken steps to enhance energy efficiency in electricity and Liquefied **Petroleum Gas** (LPG) usage in production.



# PLANET

### **ENVIRONMENTAL FOOTPRINT**

n 2023, SAI began measuring its environmental footprint. This comprehensive evaluation involved various operational aspects, including energy consumption, greenhouse gas emissions, water usage and waste. By carefully tracking and managing these metrics, we gain insights into areas that can be improved and optimized.

SAI has taken steps to enhance energy efficiency in electricity and Liquefied Petroleum Gas (LPG) usage in production. Aligned with our sustainability vision, SAI is committed to environmental stewardship. Through measurement, proactive management, and continuous improvement, we strive to minimize our environmental footprint while maximizing our positive contribution to the planet.

# **ENERGY**

SAI understands the importance of energy in production processes, office operations, lighting, warehouses, and laboratories. We use electricity as the primary source of energy to meet these needs. Additionally, we rely on LPG as an additional energy source for forklift operations outside the buildings. However, we are aware of the environmental impact of using conventional energy sources.

Therefore, as a tangible demonstration of our commitment to environmental sustainability, SAI is exploring options to utilize renewable energy in the coming years. We are determined to reduce our carbon footprint through these initiatives. By focusing on investments in renewable energy, we believe that we can actively contribute to preserving the sustainability of our planet for future generations. SAI has set a target to reduce the energy use intensity by 3% by 2030 compared to the 2023 baseline.

The following table shows the energy footprint of SAI in 2023:

Total Energy (GJ)	1,896
Non-Renewable Energy (GJ)	1,896
Renewable Energy (GJ)	0
Energy Use Intensity (GJ/kg output)	0.005

# **WATER**

We recognize the crucial role water plays in our environment and are committed to its responsible and efficient use. This report details our 2023 water performance, including sources, consumption, and ongoing efforts to minimize our impact.

We source our water from the Kendal Industrial Estate, where groundwater and treated surface water sustain our operations. Dedicated to continuous improvement, we have set our water efficiency target: a 3% reduction in Water Use Intensity by 2030 compared to the

2023 baseline. This seemingly modest goal reflects our existing efficiency as we are already optimizing water utilization within established processes.

Nonetheless, we remain committed in our pursuit of further reductions. We are actively exploring additional optimizations, from refining product changeovers to minimizing cleaning water consumption to evaluating the feasibility of wastewater reuse for landscaping. We understand that every drop conserved contributes to a healthier future.

Below is our total 2023 Water Use performance. We actively track water consumption and implement innovative solutions to continuously shrink our water footprint:

Water Use (m³)	2,848
Product Output (kg)	381,493
Water Use Intensity (m³/kg output)	0.0075

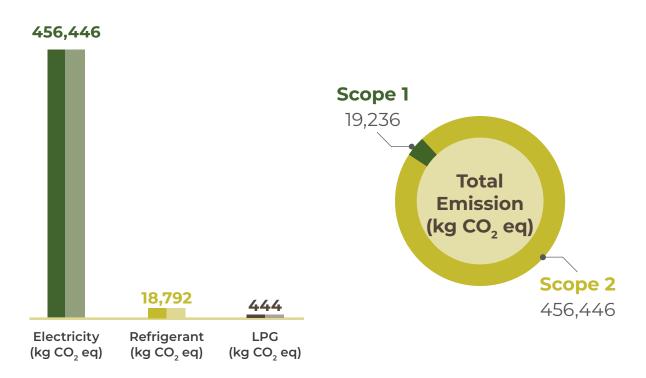


Figure 10. Water treatment system at SAI

## **GHG EMISSION**

Climate change is an issue that cannot be taken lightly. As a responsible steward of the environment, SAI is committed to minimizing our greenhouse gas (GHG) emissions and contributing to a more sustainable future. This section details our GHG emissions performance in 2023, focusing on emission sources, and ongoing reduction initiatives.





Total Emission (kg CO <sub>2</sub> eq)	456,446
Output (kg)	381,493
Intensity (total emission/kg output)	1.25

SAI is currently assessing the feasibility of several initiatives to reduce GHG emissions, including:

- Utilizing renewable energy: Installing solar panels to generate electricity or purchasing Renewable Energy Certificates (RECs).
- **Conserving energy:** Implementing an energy-saving program throughout our operations.
- Using energy-efficient equipment: Replacing old equipment with energyefficient models.

Based on the initiatives mentioned above, SAI has set a target of reducing absolute GHG emissions by 80% by 2030 compared to the 2023 baseline.

SAI has set a target of reducing absolute GHG emissions by 80% by 2030



Figure 11. Our fractionation unit operates entirely on electricity

### **WASTE MANAGEMENT**

SAI understands the importance of responsible waste management in protecting the environment and minimizing negative impacts on communities and ecosystems. We are committed to managing our waste in the most efficient and sustainable way. Our waste consists of wastewater and solid waste (hazardous and non-hazardous). In an effort to improve sustainability and environmental responsibility practices,

7,231

Description:

Hazardous waste (kg)

Packaging (pcs)



To ensure that hazardous packaging waste is safely processed by vendors,

SAI always monitors and ensures that these vendors have permits from relevant authorities.

SAI has implemented an Integrated Hazardous Waste Management System. Through this system, every hazardous waste generated by our operations is managed efficiently and responsibly by our pre-audited vendors. We are committed to ensuring that every stage of the hazardous waste management process, from collection to final disposal, adheres to strict standards and based on sustainability principles.

Thus, we not only ensure compliance with applicable environmental regulations but also contribute positively to protecting the environment and public health in the surrounding industrial area.

Our waste is divided into two categories: reusable and non-reusable wastes.
Reusable waste consists of hazardous and non-hazardous packaging wastes that is sold for reuse. To ensure that hazardous packaging waste is safely processed by vendors, SAI always monitors and ensures that these vendors have permits from relevant authorities.

Through these initiatives, we have set a target to maintain a waste reuse rate of 80% compared to the total waste generated by 2030.



**PT Solunova Alami Indonesia (SAI)** Kawasan Industri Kendal, Jalan Indraprasta No.9 Wonorejo, Kaliwungu, Kendal, Jawa Tengah 51372

