

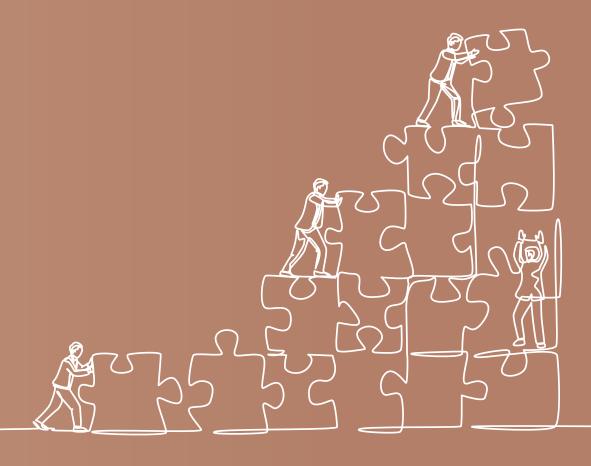
Recover Together for Healthier Nation

2022 Sustainability Report

DISCLAIMER

This Report contains the Company's financial statements, results of operations, projections, plans, strategies, policies, and objectives that are classified as forward-looking statements in the applicable laws and regulations, except for historical matters. These statements are subject to risks, uncertainties, and may result in actual developments that are materially different from those reported.

The prospective statements in the Sustainability Report were made based on various assumptions regarding current and future conditions as well as the business environment in which the Company conducts business activities. The Company does not guarantee that documents whose validity has been confirmed will bring certain results as expected.



RECOVERING TOGETHER

for a Healthier Nation

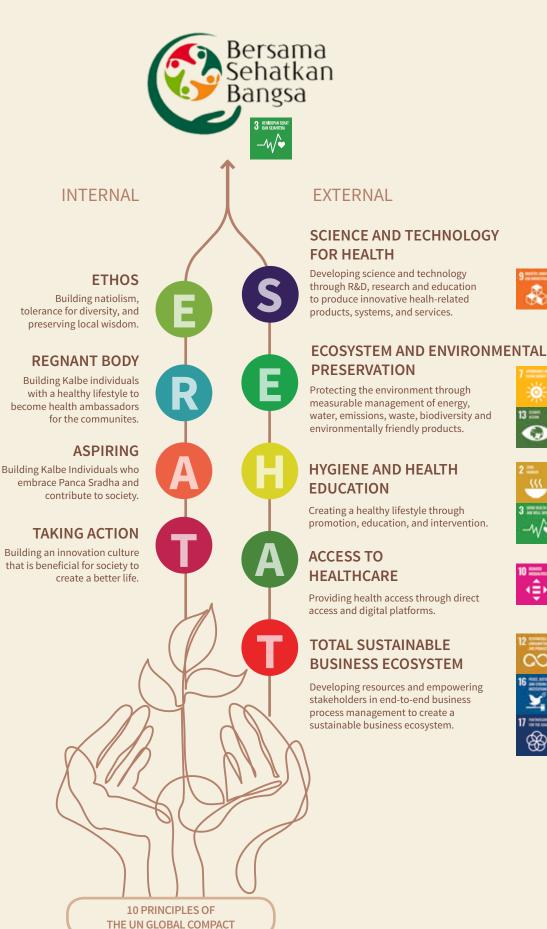
Now is the time for all of us to rise up to live a healthier life and work more optimally after conditions have gradually recovered from the COVID-19 pandemic, for more than two years. Even though we have not fully recovered, we must return to creating a better life and health. For this reason, PT Kalbe Farma Tbk ("Kalbe" or the "Company") continues its commitment to supporting the health of the Nation. We strengthen collaboration, increase technological innovation, and make efficiencies in every activity. Together, we will return to health for the Nation and now, let's restore our living conditions by living healthier lives so that we can create shared prosperity.

Sustainability Strategy [2-22]

Kalbe's sustainability strategy "Together, Building a Healthy Nation" demonstrates Kalbe's commitment to communicating about sustainability and responding to stakeholder needs. Internally, Kalbe follows the ERAT Pillars, namely Etos (Ethos), Raga (Regnant Body), Asa (Aspiring), and Tindak (Taking Action). Externally, Kalbe follows the SEHAT Pillars, namely Science and Technology for Health, Ecosystem and Environmental Preservation, Hygiene & Health Education, Access to Healthcare, and Total Sustainable Business Ecosystem. The ERAT and SEHAT pillars drives Kalbe's support for achieving the Sustainable Development Goals (SDG) through 12 Goals, namely Goals 2, 3, 4, 5, 7, 8, 9, 10, 12, 13, 16, and 17. Goal 3 'Good Health and Well-being', is a priority for Kalbe as it aligns with our commitment to improving the health of each individual and the Indonesian nation as a whole.











Sustainability Performance Overview

Economic Aspect

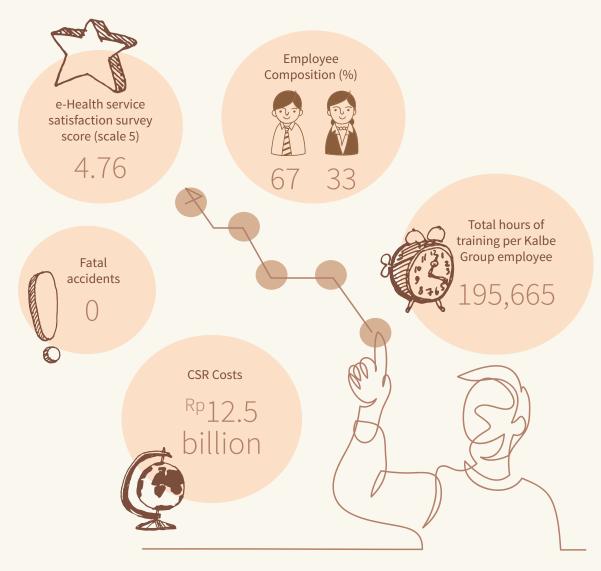
Description	Unit	2022	2021	2020
Sales	Billion Rp	28,934	26,262	23,113
Sales Growth	%	10.2	13.6	2.1
Net Profit	Billion Rp	3,450	3,232*	2,866*
Net Profit Growth	%	6.7	16.5	10.3
Number of Farmers Assisted by the Red Ginger Ecosystem Program	People	10,138	10,257*	10,063*



The use of environmentally friendly secondary and tertiary packaging.

8,278 tons

Social Aspect



^{*}Restatement [2-4]

Environmental Aspect



Environmental Management Costs*

Rp21.8

*Kalbe Cikarang, Kalbe Morinaga Indonesia, Sanghiang Perkasa, Bintang Toedjoe.

	× / / /					
2022	2021	2020*				
Emissions Reduction from Rer	Emissions Reduction from Renewable Energy Sources (Tons CO ₂ eq)					
5,325.03	2,677.23	266.51				
Energy Consumption (Tons of	Oil Equivalent)					
22,493.43	18,435.69	13,503.97*				
Renewable Energy Mix (%)						
3.45%	1.73%	0.24%				
Number of Plasma Red Ginger	Local Farmer Locations					
40	31	34				
Reduction (Increase) of Waste	water/Effluent Produced (m³)					
24,921	(56,691)**	3,246				
Reduction (Increase) of Hazard	Reduction (Increase) of Hazardous Waste (B3) Produced (Tons)					
29.31	(345.23)**	80.66				
Reduction (Addition) of Non-B	Reduction (Addition) of Non-B3 Waste Generated (Tons)					
(181.95)	(583.13)**	251.08				

^{*}The scope of emission calculations in 2020 only includes Kalbe Farma Cikarang, Kalbe Morinaga, Sanghiang Perkasa, Bintang Toedjoe Pulo Gadung, and Dankos Farma.

^{**}The volume of wastewater (effluent) and waste calculation at the factories at Saka Farma, Bintang Toedjoe Cikampek, Hexpharm Jaya, Kalbe Milko Indonesia, and Finusolprima Farma Internasional only started in 2021, so there was additional wastewater and waste generated during 2021.



Budget for the innovation aspect of PT Bintang Toedjoe's biodiversity program.

Rp875,000,000





31 million

Available for 31 million degenerative/ cardiometabolic patients. approximately 21 million gastro patients, and approximately 41 million antibiotic patients



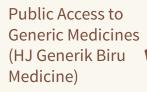
Available through the National Health Insurance (JKN) service

 Kalbe e-Health Services: KlikDokter, Klik Diabetes, Hallobumil, KALCare Omni Channel, and mitrasana.co.id



Access to Digital **Health Services**









with 5 outlets included in the National Health Insurance (JKN) scheme

Access to Health Education

Various online health education in Indonesia and overseas



KALCare Outlets



Access to Health Services for Cancer **Patients**

>117,000

Kalbe One Onco has served more than 117,000 cancer patients



Access to Health Products through **Distribution Sector** Innovation

>5,000 | >140,000 MOSTRANS EMOS Fleets

Customer Service Access

100%

Settlement of complaints through Kalbe Customer Care

Customers



Dear respected stakeholders,

We passed through 2022 well despite the many challenges. Entering 2023, even though there will still be challenges, the opportunities are getting bigger, and this will require a readiness and resilience through innovation in order to respond properly. We, PT Kalbe Farma Tbk, will continue to innovate and synergize with our stakeholders to develop and provide the best, especially in national health security. We believe that sustainability is part of our journey to move forward together to make the nation healthy by continuing to apply the **ERAT** and **SEHAT** Pillar guidelines when creating quality health products and services for the people of Indonesia.

Strategies for Responding to Challenges

Global uncertainty has created widespread inflationary pressures and challenges in the supply chains. We have anticipated this situation by further strengthening synergy as a strategy to increase efficiency and maintain supply chain security. For this reason, one of PT Kalbe Farma Tbk's subsidiaries, PT Enseval Putera Megatrading Tbk (EPM) through its subsidiary, PT Global Chemindo Megatrading, established a joint venture with Synergy Investment called Global Starway Synergy Co Ltd, domiciled in Shenzen, China.

The establishment of this joint venture aims to strengthen the supply of medicinal raw materials for humans, animals and food. The existence of this company will also expand our foreign markets and develop new innovative



technologies in the health sector, and support the Company's future growth and sustainability.

We will also continue to empower the fostered communities to produce quality products as production raw materials, and transfer technology to support the production process. This strategy is expected to increase substitution for imports of medicinal raw materials (BBO) and the level of domestic components (TKDN) thereby strengthening national health security.

On the other hand, we are increasing the use of technology through robot automation to reduce human error rates and increase the efficiency of production processes. We also apply other technologies in product distribution services and medical devices to customers. Each distribution channel can be monitored more accurately, including reducing travel time, so that customers can receive products faster.

The challenges that occurred related to medicines in 2022 were a lesson and a reminder for us to continue to carry out high standard business processes. We ensure that the products in the Company's portfolio are safe for consumption and have passed through the inspection process of the Ministry of Health and the Food and Drug Supervisory Agency (BPOM). Kalbe ensures that business activities from upstream to downstream are carried out in accordance with national and international standards and certifications, as well as comply with Good Manufacturing Practice (GMP) and Good Drug Distribution Practice (CDOB) standards.

Achievement of Sustainability Performance

Throughout 2022, Kalbe recorded positive financial performance, supported by all business lines. This achievement reflects the Company's effort to maintain product availability and minimize the impact of rising raw material prices. We carry out cost efficiency and price management, as well as combine product portfolio management strategies.

We continue to strive to implement sustainable business processes, including by increasing the mix of renewable energy. The use of solar panel technology in 8 production and warehousing locations is Kalbe's ongoing initiative to contribute to reducing carbon footprints and transitioning to renewable energy, as well as anticipating Government policies regarding Green Economy and Low Carbon Development. At the end of 2022, Kalbe operated on-grid solar panel installations with a total capacity of 6.5 Mwp, with the potential to generate 7,885 MWh/year of clean electricity, and reduce carbon emissions of 5,677 tons of CO₃/year.

Kalbe started an initiative to identify and manage the environmental impact on the entire life cycle of the products it produces by carrying out a Life Cycle Assessment (LCA) study in 2022 for the category of Solid Pharmaceutical Products with the scope of Cradle to Grave. In order to expand the implementation of LCA, we continued to increase the knowledge capacity of key personnel in all business processes through a series of socialization and technical training on LCA.

In addition, in 2022, the Kalbe Cikarang and Bintang Toedjoe Cikarang factories maintained their Green PROPER, and 4 other production facilities received Blue PROPER. To play an active role in creating products that are more environmentally friendly and adopt circular economy principles, Kalbe continued to optimize the use of recycled paper materials for secondary and tertiary packaging.

Furthermore, we believe that employee competence can be a leverage for the Company's progress, especially during the transformation period towards the digital era. Resilience, speed, and accuracy in changing to respond to customer needs in the healthcare world are getting higher. For this reason, all work functions and every Kalbe employee have started to adapt to technology to speed up and increase the effectiveness of their work processes. In addition to robotic systems,

research is also being developed in the production process to ensure the implementation of appropriate technological innovations.

In addition, Kalbe has strengthened its commitment to respect diversity and equality through the implementation of gender equality and inclusiveness policies. These policies serve as a guide for all Kalbe personnel in realizing Kalbe Selaras, Serasa, Semisi (SERASI), which promotes gender equality, an inclusive work environment, and fair diversity. We have developed a gender equality framework that is applied in our daily activities. In 2022, Kalbe also signed a pledge for Women Empowerment under UN Women, having previously signed the Empower Pledge for Gender Equality and becoming a G20 Empower Advocate of Indonesia.

Collaboration is the foundation for us in creating a positive impact on society. We continue to improve the red ginger farmer empowerment program and now we are working with the National Innovation Research Agency and Universitas Surabaya, as well as the surrounding communities and people to ensure the benefits of sustainable activities. The development of the red ginger ecosystem is one such effort to support the independence of medicinal raw materials in Indonesia, especially those based on herbs.

Kalbe participates in achieving the 2021-2024 Health System Transformation set by the Ministry of Health of the Republic of Indonesia through our support of five of the six existing pillars. Support is provided through digital health education, starting with domestic production for cancer therapy, developing the HJ Biru generic drug which can be obtained through BPJS Health, as well as technological transformation through biotechnology. We hope that this effort will become a concrete step in supporting the nation's health.

Target Achievement Strategy

The development of product and service innovation is an important strategy for improving the Company's performance over the coming years, and for supporting the development of a more integrated health ecosystem. Kalbe is exploring various potential future business prospects, both at home and abroad to encourage the Company's growth. In-depth research and collaboration are the strategies used to strengthen sustainability and build opportunities. Collaboration in the logistics sector will also create competitive advantages in distribution and product quality amidst challenging external and internal situations.

Recovering Together for a Healthier Nation

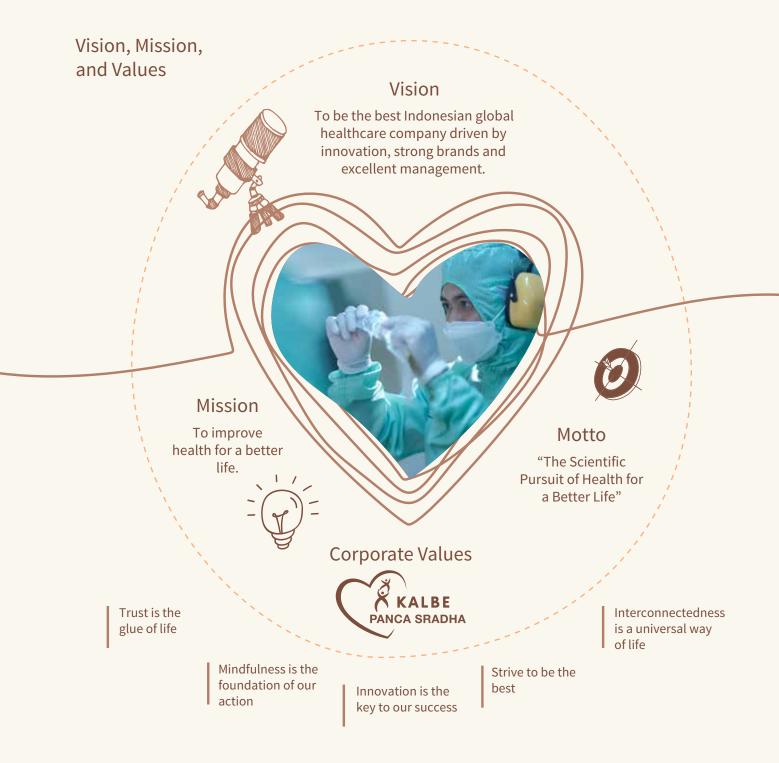
Our highest appreciation goes to all Kalbe people and stakeholders who have walked with us in facing the challenges and uncertainties. Let us continue to join hands to restore the health of the Nation and return to work with enthusiasm and joy. A stronger and healthier Indonesia is our shared dream for a more prosperous future.

Jakarta, April 2023

VidjongtiusPresident Director



Company Profile [2-1]



Quick Overview of Kalbe

Company Name

PT Kalbe Farma Tbk

Date of Establishment

September 10, 1966

Lines of Business [2-6]

Pharmaceuticals, Trading, and Agency



Business Divisions

Prescription Pharmaceuticals Division, Consumer Health Division, Nutritionals Division, Distribution and Logistics Division

Head Office

Gedung KALBE Jl. Let. Jend. Suprapto Kav. 4 Cempaka Putih, Jakarta 10510 Indonesia

Phone: (62-21) 4287 3888 (62-21) 4287 388



Website: www.kalbe.co.id

Branch Offices/ Representative Offices

Malaysia, Singapore, Nigeria, Philippines, Myanmar, Cambodia, Sri Lanka, South Africa, Vietnam



Legal Status

Public Company

Legal Basis of Establishment

Deed No. 3 dated September 10, 1966, made before Raden Imam Soesatyo Prawirokoesoemo, a Deputy Notary in Jakarta.

Ticker Code

KLBF



Shareholders Composition

Public/Communities*

42.01%

PT Ladang Ira Panen

10.46%

PT Gira Sole Prima

10.29%

PT Santa Seha Sanadi

10.07%

PT Diptanala Bahana

9.50%

PT Lucasta Murni Cemerlang

9.47%

PT Bina Arta Charisma

8.20%

*Include Treasury Stock



Kalbe carries out business activities in the health sector with a diversified business consisting of the Prescription Pharmaceuticals Division, Consumer Health Division, Nutritionals Division, and Distribution and Logistics Division. Kalbe's business division activities are carried out through 48 subsidiaries supported by 12 factory production facilities and more than 200,000 outlets in Indonesia. Kalbe's head office is in Jakarta, Indonesia, and has marketing offices in 12 countries, and conducts trading activities in 31 other countries. [2-6]

Kalbe applies a sustainable supply chain procurement process. The Supplier Health, Safety, Security, Environment, and Social Assessment (SHSSESA) ensures affiliated companies carry out toll manufacturing applicable to the sustainability aspects. For the upstream, Kalbe partners with local farmers who supply herbal raw materials and for downstream collaborates with transportation vendors and sub-distributors. Kalbe continues to develop digital services in its supply chain to improve transparency and timely processing.

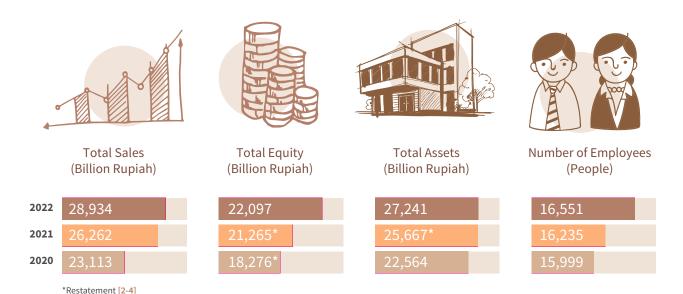


External Initiatives and Certification

Kalbe ensures its upstream to downstream business activities comply with nationally and internationally recognized standards and certifications. All products are produced by ensuring quality, safety and efficacy, starting from the raw materials selection process, manufacturing process, release, to the distribution process. The certifications obtained or the standards adhered to follow the application of a strict product quality policy.

Our certificates include Good Manufacturing Practices/ Traditional Medicines/Processed Food (GMP) and Good Drug Distribution Methods (CDOB) from BPOM; Good Methods for Manufacturing Medical Devices (CPAKB), Good Medical Devices Distribution Methods (CDAKB), and Electronic Pharmaceutical System Operators (PSEF) from the Ministry of Health; Good Manufacturing Practices (GMP) from WHO; Halal Certificate from BPJPH; Domestic Component Level Certification (TKDN) from the Ministry of Industry; and international certifications such as ISO 9001: Quality Management System, ISO 17025: Good Laboratory Practice, ISO 22000: Food Safety Management, and WHO Good Manufacturing Practice (GMP). Further information concerning the certifications held can be found in Kalbe's 2022 Annual Report.

Organization Scale [2-6]



Kalbe's Board of Directors has instigated 5 economic performance management strategies, including innovation orchestrator, comprehensive digital transformation, nurture purposeful leaders, a strong

global foothold, and a sustainable business model. In 2022, our net sales increased by 6.1% total assets by 10.2% compared to 2021. Detailed information on new products can be found in the 2022 Annual Report.

Markets Served [2-6]

Kalbe provides health products and distribution services for the national and international markets. 94.8% of Kalbe's product sales are marketed to meet Indonesia's national needs, with 5.2% exported to 43 countries including ASEAN countries, Sri Lanka, the United Arab Emirates, China, and several countries in Africa.

Product Life Cycle Management [2-6]

The Corporate Global Supply Chain Division manages the supply chain through a centralized information technology (IT) infrastructure in the Corporate IT Unit. Through this division, Kalbe's supply chain continues to improve to increase the net operating cycle, starting from supplier selection, raw material management, to product distribution.



Association Membership [2-28]

No	Association Name	Participation Position
1.	Association of Pharmaceutical Enterprises of Indonesia (GP Farmasi Indonesia)	General Treasurer
2.	Indonesian Employers Association (APINDO)	Extraordinary Member
3.	United Nations Global Compact (UNGC)	Member
4.	Indonesia Global Compact Network (IGCN)	Member
5.	Indonesian Chamber of Commerce and Industry (KADIN)	Member
6.	Indonesian Association of Food and Beverage Entrepreneurs (GAPMMI)	Member
7.	Indonesia Corporate Secretary Association (ICSA)	Member
8.	Indonesian Issuers Association (AEI)	Member
9.	Scaling Up Business Network (SBN)	Member
10.	Indonesian Audit Committee Association (IKAI)	Member
11.	Indonesia Risk Management Professional Association (IRMAPA)	Member
12.	Priority Lane Employers Association (APJP)	Member
13.	Indonesian Association of Child Friendly Companies (APSAI)	Member
14.	Association of Nutritious Products Companies for Mothers and Children (APPNIA)	Member
15.	Indonesian Health Supplement Entrepreneurs Association (APSKI)	Member
16.	Public Relations Association of Indonesia (PERHUMAS)	Member
17.	G20 Empower	Member
18.	Clean Energy Investment Accelerator (CEIA) Indonesia	Member



Sustainability Performance Awards

No.	Award	Award Issuer	Award Recipient
1.	Green PROPER	Ministry of the	PT Kalbe Farma Tbk (BO Cikarang)
2.	Green PROPER	Environment and Forestry	PT Bintang Toedjoe
3.	CSR Award 2022 Gold Rating	Bisnis Indonesia	PT Kalbe Farma Tbk
4.	ESG Excellence 2022	TrenAsia	PT Kalbe Farma Tbk
5.	Industry Best Practices Applied through Vocational Education and Training	BPSDMI Ministry of Industry	Kalbe Learning Center
6.	National Sports Industry Award	Ministry of Youth and Sports Malaysia	PT Bintang Toedjoe
7.	Wonderful Indonesia Co-Branding Awards 2022 in the Gold Category "The Most Collaborative Brand"	Ministry of Tourism and Creative Economy	Kalbe Nutritionals/PT Sanghiang Perkasa through Hydrococo brand
8.	Corporate Social and Environmental Responsibility Award 2022	Government of Karawang Regency	Kalbe Nutritionals/PT Sanghiang Perkasa (Cikampek)
9.	IDX LQ45 Low Carbon Leaders Index	Indonesia Stock Exchange	PT Kalbe Farma Tbk
10.	MSCI "AA" Rating	MSCI	PT Kalbe Farma Tbk

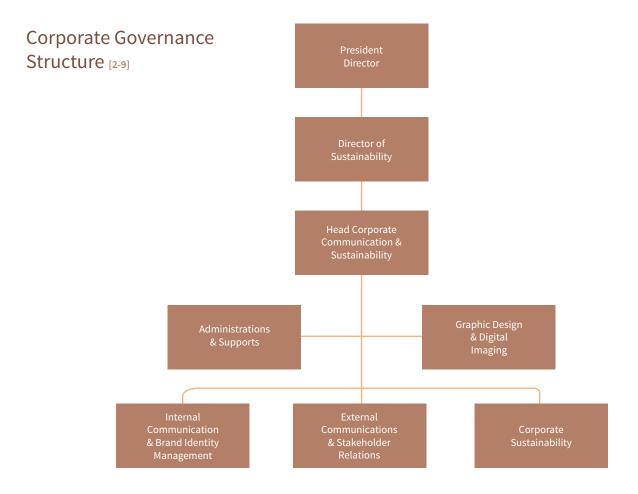








Corporate Governance



The President Director is the highest governance body in the Company. For applying the Company's sustainability, Kalbe has a Corporate Communication & Sustainability Function responsible for ensuring the effectiveness of internal communication strategies, external communications, impact management, and sustainability initiatives, including corporate social responsibility programs. The Head of Corporate Communication & Sustainability is directly responsible to the Director of Sustainability. [2-11][2-12][2-13]

In 2022, the Company's executive officers, namely the Board of Directors and the Board of Commissioners and the Corporate Communication & Sustainability Function attended competency development training in the field of sustainability with the topics "The Urgency in Local Context", "ESG Assessment", "Best Practices in Healthcare Companies", and "Successful Sustainability Strategy Foundation". The Board of Directors individual and collegial performance is evaluated by the Board of Commissioners based on the elements of the performance appraisal prepared by the Nomination Committee at the end of each fiscal year, the results of which will be presented at the GMS. [2-17][2-18]

Further information on the delivery of important issues, Board of Directors, Board of Commissioners, GMS, and functions below them, including the nomination and selection process, annual total compensation ratio, policies and processes for determining remuneration, and the Board of Directors and Board of Commissioners assessments can be found in PT Kalbe Farma Tbk 2022 Annual Report. [2-10][2-16][2-18][2-19][2-20][2-21]



Risk Management [2-13]

Kalbe's risk management forms part of its commitment to good corporate governance. Risk management involves the Kalbe's leadership who monitor and review every stage of the integrated business process that covers the economic, social and environmental aspects. Risk management is carried out by the Board of Directors, Function Managers, and the Persons in Charge of Risk Management in each business unit. Kalbe supervises risk management through the Business Risk Committee. [2-12]

Risk management is also applied in Kalbe Group vendors through Supplier Health, Safety, Security, Environment, and Social Assessment (SHSSESA), so that the vendors' performance is aligned with Kalbe's business ethics standards. Kalbe's risk management involves identifying risk at the strategic level, and then drilled down to the operational level, where control activities are carried out on an ongoing basis. These activities are regularly monitored and updated through the Integrated Audit & Risk Management System (ARMIS).

Kalbe has mapped seven risk profiles, Business Competition Risk, Legal and Regulatory Risk, Business Interruption Risk, Reputational Risk, Financial Risk, Human Resources Risk, and Company Information Risk. In 2022, Integrated Corporate Risk Management (ERM) was part of the Kalbe's Strategic Focus Initiative focus, through the Sustainable Business Model, as ERM is seen as the key to business sustainability through good governance. All risks faced are followed up with the relevant stakeholders.

Fair Business Competition [206-1]

Kalbe applies the principle of fair business competition in its product marketing and sponsorship activities in accordance with Indonesian laws and regulations. Fair business competition is stated in Kalbe's Business Ethics that serves as a code of conduct, and must be adhered to by all Kalbe people, the Board of Commissioners, Committees and related third parties. In 2022, the Company focused on developing new policies related to business ethics, fair business competition, antitrust and business monopoly, including those concerning anti-corruption and the Whistleblowing System (WBS) mechanism. During 2022, there were no violations related to product marketing and unfair business competition laws.

Prevention of Conflicts of Interest and Corruption [2-15][2-26][205-3][HC-BP-510.A.1]

Kalbe's code of ethics or Business Ethics includes anticorruption and anti-fraud policies to prevent conflicts of interest, and to regulate the values and compliance standards expected of Kalbe's people. Kalbe also provides a channel for stakeholders to submit reports and information concerning violations or indications of corruption through a whistleblowing system (WBS). In 2022, there were no transactions involving conflicts of interest and acts of corruption, involving employees and business partners.

Stakeholders 12-291

Stakeholders are Kalbe's strategic partners in aligning the direction of the Company's goals, and their constructive involvement has helped Kalbe make decisions and conduct its business in a responsible manner. Kalbe has mapped its stakeholders based on their proximity, and the influence each group has on Kalbe's business sustainability.

Stakeholder Response and Approach [2-29]

Stakeholder	Significance to Kalbe	Approach Method and Frequency	Key Topics and Stakeholder Needs	Responses and Follow Up
Shareholders	Shareholder trust and support provides the foundation for Kalbe's business continuity and growth	At least once a year: Annual GMS, Extraordinary GMS Public Expose Site Visits Correspondence Financial analyst gatherings Investor meetings	 Company annual performance and projections Sustainability performance Management succession planning Corporate actions 	 Publishing annual reports and sustainability reports Developing adaptive Company strategies Preparing regular Company performance reports Responding to capital market regulations by aligning Company operations Providing solutions to investor questions
Communities	Community opinion and support motives Kalbe to pay attention and serve the public interest	Scheduled and continuous: Community Development Activities	 Company involvement in community development Recruitment of local workers based on Company requirements 	 Conducting social responsibility activities Providing access to information through various media
Customers	Customer trust supports Kalbe's sustainability	At least once a year: Forums and communities Visits Satisfaction surveys Complaint handling Product and health education communication	 Products and services quality Product availability Customer service Health information 	 Providing an information center Conducting customer visits and customer surveys Providing education and training
Employees	Employees are an important asset for Kalbe, so having stable and competitive employees is the key to the Company's sustainability	At least once a year: Socialization of Company policies and regulations Chief Chat Forum between the Kalbe Group Board of Directors and employees Employee awards Education and development Engagement Surveys (every 2 years)	 Employee wellbeing Current employment regulations Healthy, safe and conducive working environment Equality Transparent communication Career training and development 	 Providing training and education Managing employee grievances Conducting scheduled socialization of regulations Providing social and health facilities Creating programs for teambuilding and appreciation



Stakeholder	Significance to Kalbe	Approach Method and Frequency	Key Topics and Stakeholder Needs	Responses and Follow Up
Associations	As a forum for industrial interaction to build partnerships, expand business, and increase the Company's contribution to the country	At least once a year: Forums and communities Sharing information Supporting and initiating regulations to improve industry practices Comparative studies between industries and institutions	 Industry-related regulations Synchronized regulations across institutions Information sharing forums between industries and institutions 	 Providing resources and input Receiving the Associations' accountability reports
Media	Media is Kalbe's partner in conveying the right information to the public and helping to maintain the positive image of Kalbe	At least once a year: Forums and communities Press conferences Press releases Visits Media briefings	Company performanceInvestmentsNew projectsProduct launchesProduct education	 Providing educational, actual, and transparent information Establishing virtual communications
Business Partners	High quality materials, equipment, and stable working relationships with partners supports Kalbe in maintaining its business operations and in building a sustainable supply chain	At least once a year: Forums and communities Partnership development Education and training Partnership research	 Product and service quality Selection of partners according to regulations Compliance with regulations Performance evaluation Information exchange 	 Providing education and outreach Preparing annual performance evaluations for production and research performance reports
Government	Government policies affect the way Kalbe's business operates and grows. Kalbe adopts principles that promote the best performance and complies with laws relevant to Kalbe's business	At least once a year: Communication forum between entrepreneurs and the Government Providing reports on the Company's performance and the latest industry-related information	 Compliance with prevailing laws and regulations Implementation of social responsibility and reporting Audit and assurance implementation 	 Complying with prevailing laws and regulations Implementing and reporting social responsibility programs Cooperating with Government health-related institutions



Management Approach to Achieving Sustainability



Sustainability Policy [2-23][2-24]

Kalbe's sustainability policy manifests the Panca Sradha values, the spirit of One Kalbe, supports several international conventions, and complies with applicable laws and regulations. Kalbe's sustainability performance is implemented in all Kalbe work units and is supported by the sustainability policy that addresses the human resources, environment, customers, communities, and the business ecosystem aspects.

Challenges in the Implementation of Sustainability Activities [2-25]

When implementing its internal and external sustainability activities, Kalbe faced many challenges in the environmental, social and governance (ESG) aspects. Internally, as Kalbe is a company with a wide range of global business activities and partners, we have to work harder to monitor and ensure compliance with the sustainability policies in every aspect of the business activities. We also require large energy consumption due to our long global supply chain, and this impacts the Company's carbon footprint. The different conditions in each business unit also

Kalbe's sustainability policy is implemented through the 'ERAT' and 'SEHAT' pillars, and is the responsibility of the Director of Sustainability who supervises, provides decisions and recommendations, and conducts socialization and integration in all departments, functions and units. The Director of Sustainability every six months evaluates the sustainability policy's application by reviewing the key performance indicators (KPI) for achieving the sustainability policy objectives. [2-14]

cause means the scope of environmental performance reporting in this report is limited to manufacturing plants' production activities

To support gender equality, we are faced with the challenge of involving women-owned companies as our partners for distribution and logistics, which in an area dominated by men, with only a few vendors owned by women. Supervision and reporting on the OHS performance of Kalbe employees spread throughout Indonesia is also a challenge for Kalbe. Externally, we are faced with challenges as a result of climate change, such as extreme weather conditions and natural disasters. This also affects the distribution process, and availability of raw materials.



Kalbe's Sustainability Strategy Framework

KALBE'S SUSTAINABILITY VISION AND MISSION

KALBE'S VALUES AND PRINCIPLES

Panca Sradha

"Panca Sradha" instills the principles of mutual trust, awareness, innovation, determination to progress, and the interrelations that are important in achieving sustainable performance.

One Kalbe

The One Kalbe spirit synergizes the Kalbe business in building a healthy Indonesia.



15 CORPORATE POLICIES FROM VARIOUS BUSINESS PROCESSES



Internal Determination Basis

GOVERNMENT REGULATION COMPLIANCE [2-27]

- Law No. 32 of 2009 concerning Environmental Protection and Management
- Law No. 30 of 2007 concerning Energy
- Presidential Regulation No. 59 of 2017 concerning Achievement of Sustainable Development
- Minister of Manpower Regulation No. 04 of 1987 concerning the Advisory Committee for Occupational Safety and Health
- Government Regulation No. 27 of 2012 concerning Environmental Permits
- Government Regulation No. 47 of 2012 concerning Limited Liability Company's Social and Environmental Responsibility
- Financial Services Authority Regulation No. 51 of 2017 concerning the Implementation of Sustainable Finance for Financial Service Institutions, Issuers, and Public Companies
- Minister of Energy and Mineral Resources Decree No. 1824 of 2018 concerning Guidelines for Implementing Community Development and Empowerment
- Regulation of the Minister of Environment and Republic of Indonesia Forestry No. P.75/ MENLHK/SETJEN/KUM.1/10/2019 concerning Road Map Waste Reduction by Producers



INTERNATIONAL CONVENTIONS

- Sustainable Development Goals (SDGs)
 Kalbe provides primary support for the achievement of Goal 3, to ensure a healthy life and support well-being for all, for all ages.
- ISO 26000

ISO 26000 is used as a basis for formulating social responsibility-related policies.

United Nations Global Compact
 Commitment to align the Company's operations and strategies with its 10 principles, elaborated in 4 pillars; human rights, labor, environment, and anti-corruption.



External Determination Basis

SUSTAINABILITY POLICIES

- Policy No.1: Human Resources
- Policy No.2: Environment
- Policy No.3: Customers and Society
- Policy No.4: Business Ecosystem

PURPOSE

- Human resources
- Environment
- Community and customers
- Business ecosystem



Implementing
Sustainability Policies

SUSTAINABLE DEVELOPMENT MOTTO

"TOGETHER, BUILDING A HEALTHY NATION"

KALBE'S SUSTAINABILITY PILLARS

• Science and Technology for Health

Developing knowledge and technology through R&D, research and education to produce product innovations, systems, and services related to health.

Ecosystem and Environmental Preservation

Environmental Preservation through responsible management of energy, water, emission, waste, biodiversity, and environmentally products with measured impacts.

Hygiene and Health Education

Healthy lifestyle behavior through promotions, education and health interventions.

Access to Healthcare

Provision of health access using direct access and digital platforms.

• Total Sustainable Business Ecosystem

Development of resources and empowering stakeholders in managing end-to-end business process to create a sustainable business ecosystem.



Kalbe's Sustainability Pillars

The SEHAT pillar reflects Kalbe's commitment to contributing more to external stakeholders. The SEHAT Pillar development involves all subsidiary companies under the coordination of the Corporate Sustainability Department, and has measurable performance targets. By applying SEHAT, Kalbe is confident it will achieve the Company's Vision to support the achievement of its sustainable strategy 'Together, Building a Healthy Nation'.



Science and Technology for Health



2022 PERFORMANCE TARGET



STRATEGY



ACHIEVEMENT



2023 TARGET



Innovation Science and Technology Health Program: 2 courses

- Strengthen commitment for science and technology development for research and education
- Generate innovations in the world of health





Innovation Science and Technology Health Program: 2 courses

Ecosystem and Environmental Preservation



2022 PERFORMANCE TARGET



STRATEGY



2022 ACHIEVEMENT









- Energy consumption savings: 1,200 TOE
- Hazardous and toxic waste reduction: 5%
- Green PROPER Achievement: 2
- Renewable energy utilization: 2.00%
- Kalbe Factory compliance with green building guidelines: 50%
- Electrification of PM 3 Urban two-wheeled vehicles (branches to outlets in urban areas)
- Secondary, tertiary and tactical packaging (bundling) uses recycled paper
- Innovation and improvement on greenbased production and utility machines that have efficiency with the best yields
- SHSSESA implementation and vendor development

- Energy consumption savings: 309 TOE
- Hazardous and toxic waste reduction: 3%
- Green PROPER Achievement: 2
- Renewable energy utilization: 3.45%
- Kalbe Factory compliance with green building guidelines: 50%



- Solar panels in factory and warehouse facilities with a capacity of 5.9 Mwp
- Electrification of 4 units (5%) of PM 3 Urban two-wheeled vehicles
- 98% of secondary, tertiary and tactical (bundling) packaging uses recycled paper
- Reducing the energy yield ratio by 98% (baseline 1%)
- SHSSESA results:
 Excellent: 5%, Good:
 30%, Adequate: 35%,
 Average: 30%, Poor: 0%



Hygiene and Health Education



2022 **PERFORMANCE TARGET**



STRATEGY



2022 **ACHIEVEMENT**



2023 **TARGET**



 Nutritional intervention program kick-off

Participants in the Stunting Prevention Program: 50 pregnant women

Carry out programs in collaboration with academics and the Government to improve nutrition for pregnant women, nursing mothers, and infants







 Expansion of the program for breastfeeding mothers

Intervention target: 70 people

Access to Healthcare



2022 **PERFORMANCE TARGET**

e-Health customer satisfaction index:



STRATEGY



ACHIEVEMENT



2023 **TARGET**



>4 out of 5

Measure the social impact of community interaction through Kalbe's health service ecosystem

e-Health customer satisfaction index: 4.76



e-Health customer satisfaction index: >4 out of 5

Total Sustainable **Business Ecosystem**



PERFORMANCE TARGET



STRATEGY



ACHIEVEMENT



2023 **TARGET**







- · Location of Plasma Red Ginger Local Farmers: 40
- Kalbe Vendor Management: 1 batch
- Kalbe Vendor Improvement: 1 event
- Develop Red Ginger community and ensure business continuity based on Red Ginger raw materials
- · Manage suppliers to ensure business continuity in terms of timeliness, quality, and price of supplies as well as supplier commitment to sustainability aspects
- · Location of Plasma Red Ginger Local Farmers: 40
- Kalbe Vendor Management: 1 batch
- Kalbe Vendor Improvement: 1 event



- · Location of Plasma Red Ginger Local Farmers: 45
- Kalbe Vendor Management: 1 batch
- Kalbe Vendor Improvement: 1 event









Has been achieved



Not achieved





Science and Technology for Health



Health Solution Development

Kalbe continues to develop affordable and sustainable health solutions through Kalbe's four Business Divisions, covering innovation activities through Academy, Business, Government, and Community (ABGC), quality control of products and services, and other activities. In 2022, the Prescription Pharmaceuticals Division focused on ensuring availability of raw materials and drug stocks. The Consumer Health and Nutrition Products Divisions focused on developing product innovations that become consumer preferences and developing products that can improve consumer health and immunity. The Distribution and Logistics Division focused on developing information technology innovations to expand the distribution reach.

Biotechnology Production Facilities Development

Kalbe through PT Bifarma Adiluhung develops and strengthens its contribution to stem cell management and research through the special ReGeniC laboratory. ReGeniC collaborates with universities in Indonesia, particularly as a pioneer in stem cell clinical application research for indications of osteoarthritis, burns, fine lines, and fractures.

Currently, Regenic is also officially working with RSUP dr. Sardjito and RSJP Harapan Kita for the clinical application of stem cells for patients with spinal and cardiac injuries. In 2022, ReGeniC obtained a Good Manufacturing Practices (GMP) certificate for stem cell processing from BPOM and an operational license for stem cell processing from the Ministry of Health.

In addition, Kalbe through its subsidiary, PT Kalbio Global Medika, owns and manages a production facility for medicinal raw materials and biological products in Cikarang which is run efficiently with the latest technology. The products produced by the factory include Erythropoietin (EPO), which is needed in the treatment of anemia in chronic kidney patients, Filgrastim to increase granulocyte production, as well as insulin and several Monoclonal Antibody (mAb) products for cancer treatment. PT Kalbio Global Medika has also received quality certification from experts from the European Union, proving that the quality produced is in accordance with European Union standards.

Pharmacovigilance [2-27][416-1]

To ensure product safety and consumer safety, the Pharmacovigilance activities include socializing, creating systems, and providing resources to detect, assess, understand, and prevent unwanted side effects or other problems related to drugs. During 2022, Kalbe received 268 reports related to pharmacovigilance activities, the results of which were used for evaluation.

Every year, Kalbe conducts training activities to increase the understanding of internal employees and the marketing team on pharmacovigilance. In particular, Kalbe's marketing team was trained to be competent to be able to report their level of understanding of pharmacovigilance. In addition, the pharmacovigilance activities are audited by related parties, both internal to the Company and external such as BPOM, partners or principals who have worked closely with Kalbe.



Research

During 2022, Kalbe carried out several significant researches, including:

- Development of a Rituximab monoclonal antibody biological product under the trade name Rituxikal which has been successfully produced in Indonesia and has a local distribution permit from BPOM.
- Novosis product development, in collaboration with CGBio Korea, is a combination of synthetic bonegraft and growth factor rhBMP-2 (recombinant human Bone Morphogenetic Protein-2) for the treatment of fractures.
- The newest genetic examination methods in Indonesia, namely KiddyGENME and PrimeGENME, through a subsidiary, PT Bifarma Adiluhung. Both of these examinations can analyze DNA variations related to child development and the risk of degenerative diseases that often attack the elderly and productive.
- Kalbe through its KALGen Innolab subsidiary launched Nutrigenme Life, the latest genetic test that can analyze DNA variations related to individual lifestyles. The process of gene sequencing and analysis will be carried out domestically, so KALGen Innolab will be the first laboratory to carry out in-house nutrigenomic tests in Indonesia.
- Phase 3 Clinical Trial for GX-E4 product, a long-term anemia treatment product in collaboration with Kalbe through KGBio and Genexine.
- Kalbe through KALGen Innolab (Kalbe Genomics Laboratory), in collaboration with Roche and its independent affiliate Foundation Medicine Inc. (FMI) launched a Comprehensive Genomic Profiling (CGP) examination service with Next Generation Sequencing (NGS) technology. This examination is the first CGP inspection service approved by the United States Food and Drug Administration (FDA) in Indonesia. This new screening service can help determine the best therapy for cancer patients, based on tumor genomic mapping for each patient.

Ristek/BRIN Kalbe Science Award (RKSA)

RKSA is the result of collaboration between the Ministry of Research and Technology/BRIN and Kalbe to strengthen the triple helix collaboration between academia, businesses and the Government, as well as other research communities to increase research downstreaming in the health sector. In 2021, RKSA selected 3 recipients for research funding from a total of 30 proposals. In 2022, Kalbe will focus on monitoring and evaluating the research progress of these 3 beneficiaries. These three recipients of funds have entered stage 1 of an 18-month research period and have conducted downstream assessments with business units.

Kalbe Junior Scientist Award (KJSA)

KJSA is one of Kalbe's efforts to support the teaching and learning process, as well as character building through competitions to support creativity, an innovative, competitive spirit, as well as a passion and interest in science among young children. KJSA was previously held online in 2021 with the theme "Science Experiments at Home", and 3 winners were selected out of a total of 144 students who participated in KJSA 2021. In 2022, Kalbe focused on maintaining awareness regarding science among young children through the works of the three winners. The increase in awareness was carried out through content and interaction on social media, videos, socialization, and sharing sessions at V-20 Bali with one of the KJSA winners.





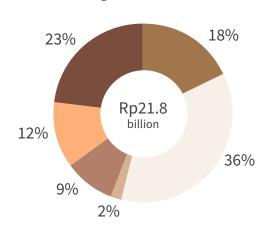
Ecosystem and Environmental Preservation



Kalbe production and business activities have been carried out according to applicable regulations, and support environmental preservation. Kalbe's environmental management is carried out based on its Health, Safety, Security, and Environment (HSSE) policy, and through the ISO 14001:2015 certified Environmental Management System. In 2022, Kalbe's environmental costs in 11 factories amounted to Rp21.8 billion, and no complaints or sanctions or fines related to the environment were received.

The PT Kalbe Farma President Director received an award as an Inspiring Green Leadership in the 2022 PROPER Gold Candidate Assessment series. In 2022, the Kalbe Farma Cikarang Factory and the Bintang Toedjoe Cikarang Factory maintained the predicate Green PROPER.

Environmental Management Costs



	Aspect	Costs	Percentage
	Effluent Management	3,886,636,126	18%
	Waste Management	7,814,470,757	36%
	Energy Efficiency	496,000,000	2%
	Fresh Water Efficiency	2,039,969,600	9%
	Air Emission Control	2,573,309,437	12%
	Biodiversity	5,016,578,658	23%
_			

Note: The calculation of environmental costs includes Kalbe Cikarang, Dankos Farma, Hexpharm Jaya, Fima, Sanghiang Perkasa, Kalbe Morinaga Indonesia, Kalbe Milko, Bintang Toedjoe Cikarang, Bintang Toedjoe Pulogadung, Saka Farma, Kalbio Global Medika.

Strengthen Business Ecosystem via **SHSSESA (Supplier Health Safety Security Environment Socail Assessment)**

2022 2024-2027 **Toll MFG 60% Toll MFG 100% RM 5% RM 100%** PM 3% **PM 100% Support 0%** Support 100%

Implementation on Green Manufacturing (Low power consumption, longer maintenance duration, brushless motor, high-automation)

> 2024-2027 2022 100% 95%

Optimization on **Recycled materials** (For secondary, tertiary & tactical-bundling packaging)

> 2022 2024-2027 95% 100%



KALBE ENVIRONMENTAL ROADMAP

Energy (Solar Panel)

2022 2027 4.9 Mwp 8.4 Mwp (Electric Motorcycle for PM3 Distribution-Urban)

0% (Trial) / 50% (40 unit)



Kalbe Sustainability Roadmap [201-2][305-5]

Climate change as a result of uncontrolled global warming is an environmental problem of global concern. Various natural disasters that occurred during 2022 and extreme weather changes certainly became a challenge for Kalbe. Even though the Company has not yet calculated the financial impact due to climate change, Kalbe is still participating in efforts to curb climate change through the Sustainability Roadmap.

In 2022, Kalbe established a sustainability roadmap that included environmental aspects. Some of Kalbe's strategic considerations that formed the basis of the roadmap, included the operational characteristics of Kalbe's business (highly regulated, complexity of business ecosystem), proportional budget adequacy, and the increasingly massive threat of climate change, have become Kalbe's main considerations in establishing 5 focus initiatives consisting of:

1. Optimization of the Renewable Energy Mix

Increasing the renewable energy mix is carried out by utilizing solar panels in all manufacturing, warehouse and office buildings belonging to the Kalbe Group. Kalbe has also set roof construction standards for new building construction projects to be able to support the installation of solar panels.

2. Minimizing the Carbon Footprint in the Product Distribution Chain

Kalbe seeks to reduce the carbon footprint in the distribution chain by initiating the use of electric-powered distribution fleets, starting with electric motors for product distribution in urban areas.

3. Optimization of Recycled Materials

In order to move towards a circular economy business model, Kalbe is also working to increase the use of recycled materials. For now, the use of recycled materials is more focused on secondary, tertiary, and tactical bundling packaging.

4. Implementation of Green Manufacturing

Kalbe consistently carries out improvements, reengineering, automation/robotics, digitization, to new investments in machinery and supporting utilities. This supports manufacturing processes that are more energy-efficient, efficient, reliable, and cost-effective.

5. Strengthening the Business Ecosystem through Supplier Health, Safety, Security, and Social Assessment (SHSSESA)

Kalbe is committed to continuing to encourage all elements in the value chain to comply with regulations and prioritize operating principles in accordance with Health, Safety, Security, Environment & Social (HSSE&S) principles.

Life Cycle Assessment (LCA)

Life Cycle Assessment (LCA) studies or Cycle Assessments are one of the key stages for issuing the Environmental Product Declaration (EPD), an environmental declaration that is included on product packaging such as the Global Warming Potential (GWP). LCA is also one of the key requirements for obtaining sustainability linked loan/bond.

In 2022, the Kalbe Cikarang Factory conducted an LCA study for the Solid Dosage Pharmaceutical Product Category with the scope of Cradle to Grave. The LCA study was prepared based on the SNI ISO 14040: 2016 standard with the help of independent experts. The identified process stages with the most significant environmental impact (hotspots) were the stages of production and supporting utilities. To minimize the environmental impact of the identified hotspots, Kalbe developed a series of programs, including:

- Modifying the heaters in the air conditioning system (HVAC), from the electric type to Hot Water.
- Engineering timing of HVAC use in the Production Line.
- Increasing the efficiency of the production process.

Energy Management

Energy Consumption in Production Activitiesi

Kalbe uses a variety of energy sources when carrying out its production activities, with the largest source being electricity, provided by PT Perusahaan Listrik Negara (PLN) as a third party. Electrical energy is used to operate machine tools, utilities, and air conditioning support units. Kalbe also uses diesel fuel and compressed natural gas (CNG) to operate its boilers. In a limited way, Kalbe supports the development of renewable energy by using small-scale self-managed solar power plants (PLTS) and micro hydro power plants (PLTMH). [3-3]

Energy Usage in Distribution and Logistics SBU

Kalbe products are distributed to distributors and end users through the PT Enseval Putera Megatrading Tbk (Enseval) and PT Tri Sapta Jaya subsidiaries logistics network. Both manage their own fleets, and those operated by transporter vendor partners. To maintain energy efficiency, Kalbe ensures that all of Enseval's distribution and logistics vehicles have passed emission tests. [302-2]

Energy Usage in Distribution and Logistics SBU (Tons of Oil Equivalent) [302-1][302-3]

Energy Type	2022**	2021**	2020*
Non-renewable Energy			
Scope 2: Electricity from PLN	11,684.14	9,621.48	7,615.36
Scope 1: Compressed Natural Gas (CNG)	9,869.29	7,676.61	5,404.14
Scope 1: Industrial Diesel Fuel	304.70	818.19	452.66
Renewable Energy			
Solar Panel	635.31	319.41	31.80
Total Energy	22,493.43	18,435.69	13,503.56

Note: Energy sources are calculated and managed directly by Kalbe with a conversion value that refers to Government Regulation Number 70 of 2009 concerning Energy Conservation. *Calculation of energy use for production activities in 2020 includes Kalbe Farma Cikarang, Kalbe Morinaga, Sanghiang Perkasa, Bintang Toedjoe Pulo Gadung, and Dankos Farma. **Calculation of energy use for production activities in 2021 and 2022 includes 11 factories, 5 factories in point *, and an additional 6 factories, namely Kalbio Global Medika, Saka Farma Cikarang, Bintang Toedjoe Cikarang, Hexpharm Jaya Cikarang, Finusolprima Farma International, and Kalbe Milko Indonesia.





Energy Efficiency Strategies [302-4]

Kalbe has a dedicated Energy Task Force Team in each business entity under the Kalbe Energy Committee to establish a common understanding among Kalbe Group units regarding energy efficiency principles and priorities. The Energy Task Force teams also collectively set criteria for selecting machine tools that are low in emissions and have a long utilization cycle. Procurement of each type of new machine or engine rejuvenation is carried out with an orientation towards toolless operated machines and semi-robotic technology.

Kalbe has instigated an energy efficiency strategy by referring to the KCSG HSSE Manual 3.02 (Energy Management System Implementation) and is ISO 50001:2011 Energy Management System certified.

Energy Saving Efforts [302-4][302-5][305-5]

The biggest energy efficiency effort at the technical level is carried out through the utilization of HVAC (heating, ventilation, and air conditioning) system controls and optimizing the configuration of the compressors and boilers needed. By the end of 2022, the HVAC system control management has been integrated in eight production facilities, namely Kalbe Farma Cikarang, Dankos Farma, Finusolprima Farma Internasional, Bintang Toedjoe Cikarang, Saka Farma Laboratories, Kalbe Morinaga Indonesia, Kalbe Milko Indonesia, and Kalbio Global Medika. In addition, each Kalbe factory also has specific energy management initiatives in accordance with the conditions and products produced.

Kalbe Farma Cikarang Factory

The Kalbe Farma Cikarang factory has carried out energy efficiency efforts in the utility system by substituting the type of heater in the air handling unit (AHU), which previously used an electricity-based heater to produce steam. This has saved 541,632 kWh/year of electrical energy with no increase in gas consumption from the boiler being detected.

Hexpharm Jaya Laboratories Factory

The Hexpharm Jaya Laboratories factory's energy efficiency focused on chiller and boiler systems. Increasing the efficiency of the chiller system has saved electricity energy by 360,000 kWh/year, while increasing the boiler feed water temperature and improving the pipe installation in the boiler system has reduced diesel fuel usage by 18,000 MMBtu/year.

• Bintang Toedjoe Factory

The Bintang Toedjoe Cikarang Factory's energy efficiency was achieved by shortening the drying time of product materials with a dryer that uses the fluidization principle (controlled blowing of hot air with a certain volume and pressure), called a fluidized bed dryer (FBD). This effort has reduced electrical energy by 208,050 kWh/year.

Sanghiang Perkasa Factory

The Sanghiang Perkasa Factory continued its energy efficiency by installing a new chiller system with less bearing technology, with the advantage of this technology being that it has a minimum level of friction coefficient. This effort has reduced electrical energy by 1,157,124 kWh/year (96,427 kWh/month).

• Kalbe Morinaga Indonesia Factory

The Kalbe Morinaga Indonesia factory carried out energy efficiency focused on the boiler system, by increasing the temperature of the boiler feed water to accelerate water heating in the boiler. This effort speeds up the heating of water in the boiler and has reduced gas fuel consumption by 5,959 MMBtu/year.

Kalbio Global Medika Factory

The Kalbio Global Medika factory carried out energy savings focused on optimizing the factory's utility systems, namely the chiller and compressor systems. The chiller system optimization has reduced electrical energy of 774,830 kWh/year, while modifications to the compressor system has reduced electrical energy of 103,578 kWh/year.



Utilization of Renewable Energy

Renewable energy mix efforts are still being carried out in a limited way by optimizing solar panels as a source of lighting for perimeter street lights that are directly connected to the electricity grid (on grid). In 2022, the Solar Power Plant (PLTS) produced electricity for seven factories and two warehouses with a capacity of 6,156 kWp (kilowatt peak). Through PLTS, Kalbe can indirectly reduce emissions by 5,344 tons of CO₃.

PLTS Installation Capacity Connected to an Electric Network (On-Grid)

Strategy Unit Bisnis	Capacity (kWp)	Output (kWh/year)	CO ₂ Avoided (tons of CO ₂ /year)
Pharmaceutical	259	522,368	182
Nutritionals	1,600	1,881,600	1,355
Consumer Health	3,637	3,270,916	2,356
Biopharma	200	259,210	187
Distribution & Logistic	860	1,754,813	1,264
Total	6,556	7,688,907	5,344

In addition to PLTS, Kalbe through the Kalbe Morinaga Indonesia factory has made use of Micro Hydro Power Plant (PLTMH) in the Wastewater Management Plant (IPAL). The continuous flow of water in the WWTP over 24 hours can drive turbines and generate electricity up

to 43,272 kWh/year. Through this PLTMH installation, Kalbe has reduced CO_2 emissions by 31 tons of CO_2 . The electricity generated is used for lights and electrical equipment in the Kalbe Morinaga Indonesia Factory WWTP.

Greenhouse Gas (GHG) Emissions Control



Kalbe ensures that the emissions generated from the operation of boilers, dust collectors and standby generators comply with applicable regulatory requirements. This compliance is carried out by Kalbe by carrying out equipment maintenance, testing emission levels periodically, and regular reporting every six months to the local Environmental Service. Nevertheless, Kalbe has not yet calculated the fugitive emission from refrigerant use, other indirect emissions (scope 3), emissions from ozone-depleting substances, or other significant air emissions. [305-3] [305-6][305-7]



GHG Emissions by Source (Tons of CO₂ eq) [305-1][305-2][305-4]

Description	2022**	2021**	2020*
Emission from Production Activities (Direct)			
Scope 1: CNG	23,384.02	18,188.70	12,758.54
Scope 1: Diesel Fuel	1,008.18	2,707.24	1,474.76
Total Direct Emission Scope 1	24,392.20	20,895.94	14,233.29
Emissions from Production Activities (Indirect)			
Scope 2: PLN Electricity for Production	97,934.59	80,645.71	63,725.95
Total Indirect Emission Scope 2	97,934.59	80,645.71	63,725.95
Total Emissions	122,326.80	101,541.69	77,959.25
CO ₂ Emissions Reduction from Renewable Energy Source	5,325.03	2,677.23	266.51

Note:

The emission load calculation system for production activities refers to the Technical Guidelines for Calculation of Baseline Greenhouse Gas Emissions in the Energy-Based Sector and the emission load calculation system by PLN.

^{**}Calculation of emissions in 2021 and 2022 includes 11 factories, 5 factories in point *, and an additional 6 factories, namely Kalbio Global Medika, Saka Farma Cikarang, Bintang Toedjoe Cikarang, Hexpharm Jaya Cikarang, Finusolprima Farma International, and Kalbe Milko Indonesia.



Waste and Effluent Management

[303-2][306-2]

Kalbe manages waste based on the type and content of the material. The management of Hazardous and Toxic Material (B3) waste is handed over to a licensed third party from the Ministry of Environment and Forestry in accordance with applicable regulations. Meanwhile, the management of non-B3 solid waste is carried out according to the 3R principle; reduce, reuse, and recycle. All Kalbe factories participating in the PROPER assessment use the electronic reporting system from the Ministry of Environment and Forestry, namely the SIRAJA application. This system helps monitor waste management with an easier and more accurate tracing process and flow. [306-2]

^{*}Calculation of emissions in 2020 includes Kalbe Farma Cikarang, Kalbe Morinaga, Sanghiang Perkasa, Bintang Toedjoe Pulo Gadung, and Dankos Farma

Total Hazardous and Toxic Waste Generated (Tons) [306-3]

Hazardous Waste (Tons)	2022	2021**	2020*
Hazardous and Toxic Waste Generated	1,059.32	1,088.63	743.40
Used Internally	0	0	0
Handed Over to Third Party	1,059.32	1,088.63	743.40

Total Non-Hazardous and Toxic Waste Generated (Tons) [306-3]

Non-B3 Waste (Tons)	2022	2021**	2020*
Non-Hazardous and Toxic Waste Generated	2,800.12	2,618.17	2,035.04
Used Internally	22.50	25.50	29.39
Handed Over to Third Party	2,681.89	2,592.67	2,005.65

**Data for non-B3 waste generated in 2019 and 2020 includes Kalbe Farma Cikarang, Kalbe Morinaga, Sanghiang Perkasa, Bintang Toedjoe Pulo Gadung, and Dankos Farma.

***Data for non-B3 waste generated in 2021 includes 11 factories, consisting of 5 factories at point *, with an additional 6 factories, namely Kalbe Global Medika, Saka Farma Cikarang, Bintang Toedjoe Cikarang, Hexpharm Jaya Cikarang, Finusolprima Farma International, and Kalbe Milko Indonesia.

The management of waste water (effluent) is carried out through WWTP. Kalbe ensures that the managed wastewater meets quality standards before being released into water bodies or waste water channels which are further managed by industrial estate managers. Supervision of wastewater quality is carried out internally and externally by involving an environmental

laboratory with National Accreditation Committee (KAN) accreditation, and registered with the Ministry of Environment and Forestry. The results of this monitoring are routinely reported to the City/Regency Environment Agency, the Provincial Environmental Management Agency, and the Ministry of Environment and Forestry.

Amount of Wastewater/Effluent (m³) [303-2][303-4][306-3]

Factory Area	2022	2021	2020
Disposal of Processed WWTPs Channeled to Industrial Estates WWTP Installations			
Kalbe Farma – Cikarang	20,307	24,886	26,049
Saka Farma*	5,994	6,564	-
Bintang Toedjoe – Cikarang*	4,001	13,117	-
Hexpharm Jaya*	6,364	6,363	-
Amount of Processed WWTP Channeled to Industrial Estate WWTP Installations	36,666	50,930	26,049
Disposal of WWTP Processed Products Channeled into Waterways in Industrial or Public Areas			
Kalbe Morinaga – Cikampek	175,210	145,963	142,427
Bintang Toedjoe – Pulomas	0	0	5,537
Bintang Toedjoe – Pulogadung	19,954	12,063	13,201
Dankos Farma – Pulogadung	100,501	149,050**	148,058
Kalbe Milko Indonesia (KAMI)*	24,341	24,949	-
Finusolprima Farma Internasional (FIMA)*	11,362	10,000	-
Amount of Processed WWTP Channeled to Waterways in Industrial or Public Areas	331,368	342,025**	309,223
Amount of Wastewater Disposal	368,034	392,955**	335,272

Note:

The calculation of wastewater is recorded based on the debit meter record. In 2021, activities at Bintang Toedjo Site Pulomas have completely moved to Bintang Toedjoe Site Cikarang.

*The calculation of the volume of wastewater at the Saka Farma, Bintang Toedjoe Cikampek, Hexpharm Jaya, Kalbe Milko Indonesia, and

Finusolprima Farma International factories will only start in 2021.





Efforts to Reduce Waste [306-2]

Kalbe has a waste management program that is carried out jointly within the Kalbe Group, namely the GregetPlastik Program. GregetPlastik is a plastic waste reduction program with 29 participating companies, 6 SBUs and 1 CF in 15 locations. By the end of 2022, through the GregetPlastik Program, the Company managed to collect 634.31 kg of plastic waste with total donations of Rp1,274,620. Other waste management efforts are also carried out by each Kalbe Factory, including:

Kalbe Farma Cikarang Factory

The Kalbe Farma Cikarang factory has replaced the polyfoil type in the product's primary packaging with a lighter weight. This effort can reduce non-B3 waste by 0.837 tons/year. In addition, the semi-solid preparation production machine efficiency has been increase and reduce the generation of B3 waste by 1.43 tons/year.

Saka Farma Laboratories Factory

To reduce reagent waste, the Saka Farma Laboratories factory has conducted reduction analytsis tests in the quality control laboratory based on the types of materials allowed according to GMP guidelines. This effort can reduce reagen waste and reduce B3 waste by 3.34 tons/year.

Sanghiang Perkasa Factory

Sanghiang Perkasa factory has installed autosamplers for its production machines to automate product sampling using accurate weights according to quality assurance analysis needs. This effort can reduce B3 waste by 4.8 tons/year (1.2 tons during the September–December 2022 period).

Water Saving Efforts and Effluent Control

During 2022, Kalbe used 1,261,350 m³ of water. The water used came from groundwater, PDAM, and recycled water. To save water, all operating units and the head office have installed automatic faucets and campaigned to encourage a wise lifestyle in using water. Kalbe also encourages saving and reducing the burden of water pollution in each factory, including: [303-3][303-5]

Hexpharm Jaya Laboratories Factory

The Hexpharm Jaya Laboratories Factory has readjusted its production equipment cleaning process methods. This effort has reduced water use by 2,029.44 m³/year (169.12 m³/month) and this effort has also been carried out by the Kalbe Farma Cikarang Factory.

Finusolprima Farma Internasional Factory

The Finusolprima Farma Internasional Factory carried out a combination of MBBR-MBR technology for WWTPs with a vertical design, which is an innovation for controlling effluents with limited land. In addition, part of the effluent is reused as wastewater for flushing toilets.

Bintang Toedjoe Cikarang Factory

The Bintang Toedjoe Cikarang Factory has installed an WWTP effluent recycling device and a rainwater collection system. Rainwater or recycled water is used for cooling tower feed water and toilet flushing water. This effort has reduced water consumption by 19,401 m³/year. In addition, the factory has made 440 biopore infiltration holes to increase groundwater reserves in the green land around the factory.

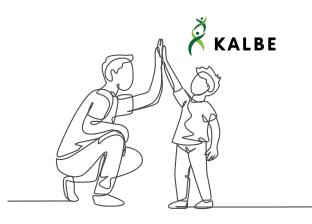
Biodiversity Protection

All Kalbe Group facilities operate in industrial areas and do not have direct contact with the communities or protected areas. Based on a potential environmental impact mapping study in the Environmental Permit Document, Kalbe's business activities do not threaten biodiversity. However, Kalbe continues to carry out several activities to support biodiversity, including:

- Since 2021, the Bintang Toedjoe Cikarang Factory inaugurated a red ginger garden as a green area in the factory, covering an area of 2.7 hectares that now has 245 types of flora species. This park produced 43.2 tonnes of red ginger and 344 tons of fragrant citronella in 2022.
- Kalbe through PT Sanghiang Perkasa planted 2,022 mangrove seedlings in the Muara Baru area, Karawang Regency in collaboration with the Karawang Regency Environmental Service, and Cipta Pesona Desa mangrove activists. It is hoped that this planting will reduce abrasion and provide a long-term positive impact in the Muara Baru area, which currently is arid and does not have a green belt.
- From 2018 to 2022, Kalbe continued to develop the Ecoriparian Teluk Jambe, Karawang, West Java. This community-based environmental program is aimed at managing waste and domestic wastewater in local settlements that have not been handled properly.
- Kalbe Farma Cikarang with the local communities are working to restore the areas around the rivers to reduce the burden of wastewater pollution on the WWTP, by establishing a digital waste bank system, implementing infiltration wells, and revitalizing the banks of the Cidadap River. In addition, on the banks of the Cidadap River community empowerment activities have been carried out, including fish farming, aquaponic farming, and recreation areas (cafes).



Hygiene and Health Education



Maintaining Employee Occupational Health and Safety

All Kalbe Group operating units have a department or function responsible for managing occupational health and safety (OHS) in the workplace, supported by the Occupational Health and Safety Committee (OHSC). Kalbe has an HSSE Manual that serves as a guide for all Kalbe Group operating units in complying with OHS regulations and requirements. Kalbe's OHS Management System also refers to ISO 45001 and is reviewed periodically through employee consultation and engagement. [3-3][403-4][403-4][403-8]

Kalbe seeks to control potential hazards and work risks through Hazard Identification, Risk Assessment and Determining Control (HIRADC) as well as various OHS programs. In addition, Corporate HSSE carries out assessments and provides consulting assistance related to HSSE governance in all units. The procedures for mitigating negative OHS impacts are contained in the Panca Sradha Shield document (Persadha), a special guide for dealing with crisis situations. In addition, each unit has prepared competent facilities and teams to support the mitigation measures for incidents and emergency conditions in the workplace. [403-2][403-3][403-6][403-7]

OHS Training

Kalbe routinely conducts employee OHS socialization and training, starting from when employees are recruited. Corporate HSSE continues to enrich the management and key personnel's knowledge through educational activities. During 2022, Corporate HSSE held 6 online educational forums delivered by a number of speakers from various fields of expertise. Participants in these educational forums consisted of heads of related

units and functions, as well as representatives of partner companies in the supply chain. 948 people from Kalbe's management and partner companies participated in 6 HSSE discussion forums in 2022. [403-5]

Business Operational Security Performance

Throughout 2022 and the previous period, the integrated Kalbe Group Security Team (KST) performance maintained a conducive and comfortable work environment for Kalbe Group units, free from potential external Threats, Disruptions, Obstacles and Challenges (TDOC). The early detection mechanism continued to be maintained by coordinating all security stakeholders in the area, and the surrounding communities. The KST's security personnel competency continues to be strengthened and developed in accordance with the regulations set by the National Police and the CHSSE Security aspect manual/guidelines.

OHS Performance

During 2022, there were no work-related accidents or fatalities, or work-related illnesses, either at the head office or at 11 production facilities. However, there were 12 cases in the medical treatment category, and 3 cases in the loss time incident category, which resulted in the employee (victim) receiving treatment or referral to a health facility, and were able to return to work the next day. All of these incidents did not significantly disrupt the unit's operational activities and corrective actions were carried out effectively. [403-9][403-10]

Number of Work Accidents [403-9]

	-Loss Time Accident ledical Treatment)		Lo	Lost Time Accident Fatal Accident		Lost Time Accident		
2022	2021	2020	2022	2021	2020	2022	2021	2020
12	12	9	0	3	0	0	0	0

Nutrition for Pregnant Women and Children





Kalbe supports the health resilience of Indonesian families through education on stunting prevention, reducing maternal mortality, and reducing infant mortality. Kalbe also provides products that can support the nutrition of pregnant women and toddlers, including Prenagen milk and Milna baby porridge. In 2022, PT Kalbe Farma Tbk (Kalbe) through its subsidiary

PT Sanghiang Perkasa (Kalbe Nutritionals) supports the stunting reduction acceleration program in Indonesia. Kalbe working with Universitas YARSI and the Kresek Health Center conducted nutritional interventions on the use of Prenagen milk, health education for reducing stunting, and monthly pregnancy health level measurements, for 67 pregnant women as well as their carers. This program ran from June 2022 to March 2023.

Health education on the importance of nutrition for tackling stunting was provided directly to participants through a guidebook "Preventing Stunting Early on, A Guide for Pregnant Women" compiled by the Kalbe Nutritionals team and Universitas YARSI. In addition, Focus Group Discussions (FGD) were also conducted with participants and representatives from the Community Health Centers and the Health Office to gain feedback on the program, so that its effectiveness could be increased.

The program's evaluation was satisfactory with good results, and was carried out by stakeholders such as health center staff, community heads, carers, and pregnant women receiving the milk products. The success of breastfeeding-only (stage 1) is an important factor in preventing stunting, so this program will be continued with a phase 2 program, which will focus on breastfeeding mothers by providing Prenagen Lactamom nutrition intervention, education, and assistance.





Utilization and development of digital technology helps Kalbe ensure the distribution of health services broadly and equally to all customers. Kalbe also has Mitrasana Clinic health services to provide a one-stop service for general practitioners, dentists, laboratories, physiotherapists, pharmacies, and buying health products online. By 2022, Kalbe had established 15 Mitrasana Pharmacy and Clinic outlets. Five of the Mitrasana Clinics are integrated with the National Health Insurance (JKN) service, making it easier for Indonesian people to obtain health services.

Kalbe's prime health services are also supported by the provision of generic drugs that is carried out by a subsidiary PT Hexpharm Jaya Laboratories. They manage generics for antibiotic and degenerative classes under the HJ Generic Blue brand. During 2022, this drug enters around 85%-95% of the total channel population, in more than 11,000 pharmacies, more than 1,200 pharmacy groups, and more than 1,400 private hospitals, also covers around 31 million degenerative/cardiometabolic patients, around 21 million gastro patients, and around 41 million antibiotic patients.

Integrated Health Services Applications

KlikDokter (klikdokter.com)

Kalbe's B2C healthcare platform, klikdokter.com, was established in 2008 and now is recognized as one of the leading telemedicine portals in Indonesia. klikdokter.com presents a set of healthcare service features, from health related information and education contents, online health stores and online doctor reservation, to tele-consultation as well as e-prescription and medicine delivery. To further enrich its functionalities, in 2022, we started to pursue partnerships with insurance firms to facilitate payments of medical expenses. KlikDokter also has a Klik Diabetes service for diabetics and Hallobumil for pregnant women. We have started to integrate Kalbe's other digital businesses into klikdokter.com by combining the MOSHealth and KALCare applications on the klikdokter.com platform.

KALCare Omni Channel

Kalbe is developing a multi-channel KALCare platform that supports access and quality health services to consumers through an integrated system. KALCare Omni Channel combines e-commerce and outlet services that enable consumers to shop for thousands of health and personal care products from the KALBE Group. The KALCare Omni Channel consists of, KALCare. com, KALCare Home Delivery (KHD), KALCare Outlets, KALCare Marketplace, and KALCare Rewards.

Further information about KlikDokter, Klik Diabetes, and KALCare Omni Channel can be seen in PT Kalbe Farma Tbk's 2022 Annual Report.

Improved Access to Health Services for Oncology

Kalbe has developed One Onco as a supporting ecosystem for cancer sufferers in Indonesia. The One Onco ecosystem provides reliable information related to cancer, access to online consultations supported by KlikDokter, access to comprehensive and affordable early cancer detection, and access to a directory of cancer services consisting of health facilities with modalities in the field of oncology, health workers in the field of oncology and information about the cancer community. All chemotherapy products and targeted therapy are included into the JKN e-catalog at special prices so they are more accessible to the public.

Drug Distribution Activities

Through its subsidiary PT Enseval Putera Megatrading Tbk (Enseval), Kalbe is developing a technology-based distribution system that focuses on digitizing the product supply chain ecosystem through the EMOS and MOSTRANS digital transportation platforms. MOSTRANS is a business-to-business (B2B) Digital Transportation Platform that allows customers to consolidate shipments at competitive prices with faster delivery times. EMOS is a B2B Digital Order Management Platform for pharmaceutical and health products used by the pharmaceutical industry ecosystem through an order management system. EMOS supports the availability of quality health products in pharmacies, clinics, hospitals and drugstores. Through EMOS and MOSTRANS, Enseval is now focusing on moving from B2B to business-tocustomers (B2C).

Until the end of 2022, MOSTRANS has collaborated with more than 70 transporters, more than 100 shippers, and manages more than 5,000 fleets.

Meanwhile, EMOS has more than 140,000 customers, cooperates with more than 200 distributors, more than 280 principals, and has become a marketplace for more than 10,000 product portfolios.

Further information concerning EMOS and MOSTRANS can be seen in the 2022 Enseval Sustainability Report.

Corporate Social Responsibility (CSR)

In 2022, Kalbe and its subsidiaries carried out CSR activities in Indonesia and several other countries with a total cost of Rp12.5 billion. The CSR programs carried out included donations in the form of Company products.

Communitiy Empowerment

Since 2014, PT Kalbe Farma has collaborated with the Kalbis Institute to improve access to health services, and has conducted community empowerment activities in Wonogiri Regency, Central Java, an area with limited access to health and water. In 2022, Kalbe reached 80 families to increase their access to clean water managed by Paguyuban Tirta Asri, compared to only 5 families in 2014. The Kalbis Institute also measured the SROI with a result of 1:3.

Community empowerment has also been expanded to include animal husbandry, catfish farming, red ginger planting trials, and drinking water refilling management. Kalbe also developed its community program through fundraising from Kalbe People during Kalbe's 56th Anniversary (Kalbe People Movement), where total donations reached Rp211 million, and were used for drilling new water wells in Boto Hamlet, water distribution pipes, and water feasibility testing. Kalbe also conducts internal and external communications through Instagram Live: Kalbe Provides Clean Water for the Community. An evaluation and identification of extensions for the waste management and sustainable economy programs, were also been carried out.





Kalbe Customer Care

All customers can submit complaints about products and services or obtain information through Kalbe Customer Care. This service follows a toll-free policy and privacy policy to protect consumers and partners, especially consumers who use e-health services through KlikDokter and the Kalcare.com website. Customers can also submit complaints face-to-face at the nearest KalCare outlet.

In 2022, we received 406,664 inquiries including 393,513 requests for information and 13,151 service complaints. All incoming complaints were followed up within the settlement period in accordance with the service level agreement.





Kalbe Customer Care

• Toll-Free Phone Number: 0800-140-2000

Website: www.kalbe.co.id

WhatsApp: 0822-4630-5477 & 0822-9709-6175
 Email: customer@kalbenutritionals.com
 Specific Grievance Tracking for the Nutrigenme & Wellness Program:

Call Center: 0852-8111-2343

Number of Information Requests Received and Completed

Information Request	2022	2021	2020
Toll Free Channel	15,590	25,747	38,887
Social Media	377,923	288,673	295,290
Total	393,513	314,420	334,177

Number of Complaints Received and Completed

Complaint	2022	2021	2020
Toll Free Channel	2,839	4,889	5,345
Social Media	10,312	11,252	7,907
Total	13,151	16,141	13,252

Customer Satisfaction Survey

Kalbe conducts a customer satisfaction survey to improve product and service services. The result of customer satisfaction survey is to set a benchmark for the service delivery effectiveness, as well as feedback for future improvements. The customer satisfaction index measures the quality standards of each business division, including ease of access, responsiveness of customer service, accuracy of information/solutions, as well as friendliness and courtesy.

In 2022, the customer satisfaction survey results on Kalbe e-Health's service quality scored 4.76 out of a scale of 5.

Customer Satisfaction Survey Results

2022	2021	2020
4.76	4.63	4.59

Health, Safety, and Product Safety for Customers

[3-3][416-1][416-2][FP2][FP5]

Kalbe's commitment to ensuring product health and safety is contained in the Quality Policy, Corporate Quality Manual and Guidelines, and Quality Management System, and refers to food safety standards and compliance with applicable regulations. Kalbe evaluates the quality, efficacy, health and safety aspects of 100% of its products at the pre-marketing, product launch, to the post-marketing stages.

To ensure the products distributed based on their shelf life, Kalbe has standards and procedures for handling expired products and coordinates with appointed and licensed vendors. Products that do not meet standards or have expired will be destroyed according to regulations to protect consumer health, and so unauthorized parties do not misuse them. Kalbe also has a product recall procedure in accordance with the Food and Drug Supervisory Agency (BPOM) regulations to ensure all products marketed by Kalbe meet the quality, efficacy and safety requirements set by the Company. With this procedure, until the end of 2022, no products were recalled due to being unfit for consumption. [HC-BP-250A.3]

Kalbe also carries out competency improvement in quality management and compliance with government regulations as well as the Corporate Quality Manual and Guideline.

Marketing and Labeling [3-3]

The marketing and labeling practices are under the responsibility of the Marketing Function/Division, Regulatory Affairs, and Research and Development.

Quality assurance labeling is managed by the Kalbe Group. Kalbe evaluates packaging and labeling through stability and quality tests that are verified by Quality Assurance.

Product Information [417-1][417-2][417-3]

100% of Kalbe's products have passed the health and safety impact assessment process, and the product information complies with BPOM regulations, and has been reported according to regulations. The product information includes product composition, how to use it, expiration date, how to safely dispose of the product, with a recycling logo for products using recycled packaging. During 2022, there were no incidents of non-compliance related to Kalbe's product safety, nor product marketing and labeling that resulted in a warning or a penalty. [416-

1][416-2][HC-BP-270A.1][HC-BP-270A.2]

Several Kalbe food products also have a 'healthier choice' logo, meaning the sugar, salt, and fat content is lower than products without the special logo. Kalbe also has several products that are low in fat and sweeteners, such as Diabetasol Sweetener, Diabetasol Wafer Chocolate, HiC 1000, Hydro Coco Vita-D, and Slim & Fit. Kalbe also has products that contain high levels of nutrients, vitamins and minerals, for example found in Hydro Coco, Prenagen Essence, Lovamil, Entrasol Active, Nutrive Fiber Shot, Blackmores Bio C 1,000, Sakatonik ABC, Cerebrofort Marine Gummy, and others. Kalbe also has several Medical Nutritional products for certain disease conditions, for kidney, liver and malnutrition patients. These products include Nephrisol, Pulmosol, Peptibren, and Peptimune. [FP6][FP7]









Total Sustainable Business Ecosystem



Partnerships in the Supply Chain [2-6]

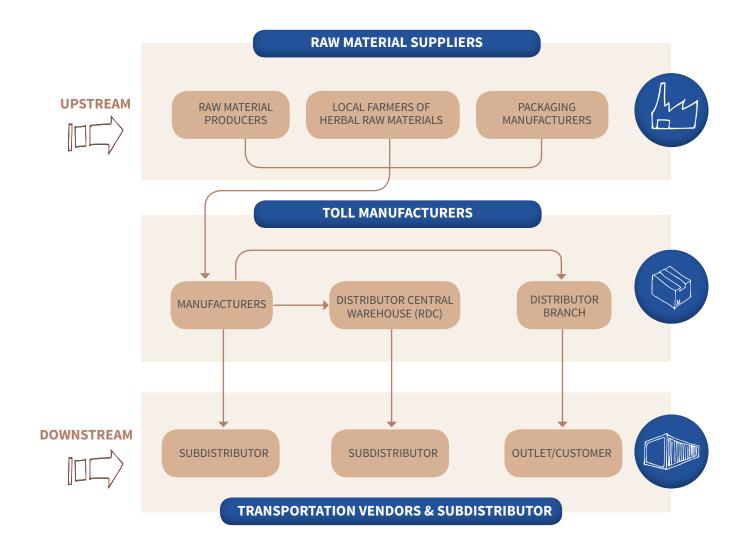
Suppliers or vendors play an important role in Kalbe's supply chain to build a sustainable business ecosystem. To ensure the availability of supply, the supply chain system is designed as an online system. Every week, Kalbe monitors the availability of raw materials and has alternative sourcing and suppliers in place, if there are problems in sourcing raw materials.

Kalbe's upstream to downstream activities have been integrated through synergies with subsidiaries and collaboration with other business partners. For upstream, Kalbe has established partnerships with raw materials and packaging producers, using national and multinational companies, and local farmers as suppliers of herbal raw materials. For the mid-stream, Kalbe applies a toll manufacturing scheme with other specialized manufacturing companies. While the downstream, distribution and logistics activities are managed by PT Enseval Putera Megatrading Tbk (Enseval), supported by third party transportation vendors and sub-distributor partnerships. Enseval also has a dropshipping system.

Goods and Services Procurement Sources [204-1]

Companies, Subsidiaries, and Associated Companies	National Suppliers (%)	Import Suppliers (%)
PT Kalbe Farma	70	30
PT Dankos Farma	77	23
PT Hexpharm Jaya	68	52
PT Finusolprima Farma Internasional	48	52
PT Bintang Toedjoe dan PT Saka Farma Laboratories	66	34
PT Sanghiang Perkasa	95	5
PT Global Oncolab Farma	69	31

In the process of manufacturing more than 2,000 products Kalbe ensures all (100%) the raw materials supply meets predetermined quality specifications, standards, and regulations. Kalbe applies the principle of responsible sourcing and facilitates vendor development & continuous improvement programs to ensure the suppliers/vendors can improve the quality, efficiency and environmental compliance. Kalbe also conducts capacity building for business partners through forums, training and awards for vendors. [FP1]



Procurement Practices [3-3]

Kalbe's procurement practices follow the business ethics principles to ensure the on time availability, for the right quantity, with the right quality at an affordable price. Procurement practices digitiziation initiatives are being carried out continuously to create an increasingly integrated, agile, and transparent. Searches for raw material vendors based on source of origin, so that one material may have raw material sources originating from different countries. Procurement management is carried out through vendor selection, vendor approval, vendor development, and vendor management processes in the Supplier Relationship Management system, which aims to improve the vendors' ability to ensure product safety and health.

Kalbe established SCM 4.0 that allows supply chain digitization starting from the planning through to the execution processes, so that it is integrated from upstream to downstream, and is optimum and agile. For Procurement, digital transformation is carried out using the K-Partner system, a comprehensive and integrated procurement system. This system is used to document all procurement activities, facilitate traceability, improve collaboration with suppliers, as well as integrate and optimize the procurement process. During 2022, Kalbe implemented supplier/vendor development programs, including Kalbe Vendor Training (to ensure the sustainability of raw materials and packaging), Kalbe Vendor Improvement (mentoring for the report "Sharing 8 Steps and 7 Tools"), and Kalbe Vendor Development Program (improving vendor performance in quality aspect).



Supplier Health, Safety, Security, Environment, and Social Assessment (SHSSESA)

To ensure alignment of its sustainability commitments, Kalbe encourages quality and performance improvements of vendors, as they are a strategic part of the Kalbe Group's business ecosystem through SHSSESA. SHSSESA is aimed at identifying quality performance, and will ensure that all Kalbe Group supply chain ecosystem vendors comply with regulations related to safety, health, security, environment and social aspects. SHSSESA is carried

out independently by all participating vendors through questionnaire documents that have been sent online.

In 2022, SHSSESA was joined by 15 toll road manufacturing partner companies also 3 raw material producers from China. Partner companies with scores in the good, adequate and average categories were encouraged to continue to improve their performance in safety, health, security, environmental and social aspects. Meanwhile, partner companies with scores in the needs improvement category have been given feedback through their principals.

SHSSESA Assessment Results

Category	2022	2021	2020	
Excellent	1	2	0	Markey policy
Good	5	7	3	
Adequate	10	8	4	
Average	2	2	3	
Need Improvement	0	1	3	

Economic Performance [3-3]

Kalbe's economic performance is one of the important business pillars that builds and strengthens Kalbe's sustainable operations, in line with our commitment "Together, Building a Healthy Nation". Recording and monitoring of economic performance is the responsibility of the Director of Finance. Despite facing many challenges, Kalbe maintained its economic performance. In 2022, Kalbe's revenue amounted to Rp28,934 billion, an increase of 10.2% compared to the previous year. Kalbe also did not receive any financial assistance from the Government during the reporting period. [201-4]

Outlook 2023 Focus on innovation and digitalization.

13-15%	13-15%	45-55%
YoY Sales Growth	Earnings per Share Growth	Dividend Payout Ratio

Economic Value Generated and Distributed (Rp Billion) [201-1]

Description	2022	2021	2020
Economic Value Generated			
Net Sales	28,934	26,262	23,113
Economic Value Distributed			
Cost of Goods Sold	17,229	14,977	12,866
Operating Expenses (exc salaries, wages, and well-being)	5,185	5,042*	4,584
Employee Salaries, Wages, and Well-being	2,289	2,221*	2,107
Payments to Investors			
Cash Dividends	1,641	1,312	1,219
• Interest and Financial Charges	55	57	90
Tax Payments to the Government	1,008	911	828
Community Development	13	21	88
Economic Value Distributed	27,420	24,541	21,782
Economic Value Retained	1,514	1,721	1,331

Note: Performance is disclosed on a consolidated basis in accordance with the audited financial statements.

^{*}Restatement [2-4]

Support for Local Red Ginger Farmers [413-1]

The red ginger partnership program was developed by Bintang Toedjo to support farmers. The red ginger partnership is supported by an ecosystem with seven pillars include nurseries; planting; postharvest; extraction/distillation; pharmacology; commercialization; and community empowerment. By 2022, Bintang Toedjoe worked with more than 10,000 farmers spread across regions on the islands of Java, Sumatra, Bali, and West Nusa Tenggara. The farmers produced more than 600 tons of wet red ginger, used as the main raw material for PT Bintang Toedjoe's herbal products so product sales increased by 21% and contributed 16% of the total sales of PT Bintang Toedjoe's local products.

"The red ginger ecosystem built by Bintang Toedjoe is one of Kalbe's efforts to become self-sufficient for medicinal raw materials in Indonesia, especially herbal-based raw materials."

In 2022, Kalbe introduced the Red Ginger Country, which was designed by the Bintang Toedjoe Inovasi Natural (BINA) Business Unit to support the sustainability and availability of the best red ginger. Red ginger development is supported by studies to ensure continuous system, quality, extract profile improvements, and to strengthen the efficacy profile. This program also helps in the development of tissue culture to produce superior and uniform red ginger seeds, so that the red ginger produced has a better quality and productivity. Bintang Toedjoe also works with Post-Harvest Processing of Medicinal Plants Centers (P4TO) in the regions to produce simplicia that meets the specifications, and has a guaranteed and consistent quality.

In line with INDI 4.0, Bintang Toedjoe carried out digitalization innovations using the Android-based digital Eco Digifarm application to monitor red ginger planting by farmers from when it is planted until it is extracted, to properly record and trace the red ginger ecosystem processes. This application offers convenience for the collaboration process starting from the land survey process, cooperation agreements, planting, harvesting, post-harvest, to the extracting processes. This application is aimed at people who are interested in partnering in the red ginger ecosystem with PT Bintang Toedjoe and developing the potential of red ginger farmers and farming throughout Indonesia.





Red Ginger Cultivation Performance

Description	2022	2021	2020
Amount of Red Ginger Wet Raw Material (Tons)	610	590	512
Amount of Red Ginger Simplisia Raw Material (kg)	87,143	84,286	7,143
Number of Farmers (people)	10,138	10,257	10,063
Number of Farmers' Region (region)	40	31	34
Red Ginger Extract Yield (kg)	17,429	16,857	14,269
Farmer's Income Average per Harvest (Rp/farmer/harvest)	7,092,000	5,900,000	5,647,059

'ERAT' Pillars Implementation

The "Together, Building a Healthy Nation" commitment is applied through internal initiatives coordinated and communicated in the four 'ERAT' pillars. The 'ERAT' pillars' development and implementation form part of the entire management's long-term strategy, and supports the achievement of the sustainable development goals. In 2022, Kalbe carried out 'ERAT' pillars programs and activities through charity events, closing year events, joint sports events, webinars/health talks, sharing innovation, wellness programs, and others.

The application of the 'ERAT' pillars and the 'SEHAT' pillars are important steps for all Kalbe's internal and external stakeholders to jointly realize the vision of becoming a world-class company and building a healthy Indonesia.





Manpower Management Employee Composition [2-7][2-8][401-1]

During 2022, there was no lost work time due to work strikes, company closures by state regulations, or other reasons. By the end of 2022, the number of employees increased from 16,235 employees in 2021 to 16,551 employees. During 2022, Kalbe employed 1,858 outsourced workers, consisting of 1,648 male workers and 210 female workers. [FP3]

Employees Composition Based on Employment Status

Employment Status	2022	2021	2020
Permanent	12,724	12,334	12,137
Non-permanent	3,827	3,901	3,862
Total	16,551	16,235	15,999



Employees Composition Based on Gender

Gender	2022		20)21	2020	
	Permanent	Non-permanent	Permanent	Non-permanent	Permanent	Non-permanent
Male	8,698	2,468	8,398	2,505	8,279	2,485
Female	4,026	1,359	3,936	1,396	3,858	1,377

Employees Composition Based on Age Group

	2022			2021				2020		
Age Group (Years)	Permanent	Non- permanent	Permanent	Non- permanent	Permanent	Non- permanent	Permanent	Non- permanent	Permanent	Non-
, ,,		Male	Fe	emale	Male		Fe	Female		permanent
18 ≤ 25	620	1,535	581	1,155	604	587	1,577	1,215	1,389	2,552
26 ≤ 35	4,191	860	2,050	178	4,061	2,010	840	154	5,854	1,160
36 ≤ 45	2,709	33	924	10	2,649	886	39	6	3,456	75
46 ≤ 55	1,172	17	469	2	1,078	452	24	5	1,424	28
>55	6	25	2	12	6	1	25	16	14	47
Total	8,698	2,469	4,026	1,357	8,398	3,936	2,505	1,396	12 127	2 062
Total	1	1,168	5	,383	1	2,334	3	,901	12,137	3,862

Employee Composition Based on Position

	2022				2021				2020	
Position	Non- permanent	Permanent	Non- permanent	Permanent	Non- permanent	Permanent	Non- permanent	Non-permanent	Dannanan	N
	1	Male	Fe	emale	ı	Male	F	emale	Permanent	Non-permanent
Staff	5,815	2,274	2,312	1,258	5,721	2,308	2,408	1,318	7,888	3,728
Officer/ Supervisor	2,192	156	1,322	84	2,033	1,257	56	60	3,264	77
Manager	606	10	346	6	567	329	14	5	869	19
Executive	85	30	46	9	77	42	27	13	116	38
Total	8,698	2,469	4,026	1,357	8,398	3,936	2,505	1,396	12,137	2 962
TOTAL	11	L,168	5	,383	12	2,334		3,901	12,137	3,862

Employee Composition Based on Education Level

		20)22		2021			2020			
Education Level	Permanent	Non- permanent	Permanent	Non- permanent	Permanent	Non- permanent	Permanent	Non- permanent	Permanent	Non-	
	N	Male	Fe	male	N	//ale	Fe	emale	Permanent 6 61 4,360 1,746 4,820 312 638 185 9 12,137	permanent	
Primary School	6	0	1	0	5	1	0	0	6	1	
Junior High School	158	4	29	0	26	13	3	0	61	4	
Senior High School	3,438	1,588	643	847	3,613	699	1,619	885	4,360	2,459	
D1-D3 Diplomas	1,149	291	694	181	1,043	717	283	194	1,746	477	
Bachelor's Degree	3,345	536	1,838	251	3,247	1,827	548	260	4,820	835	
Master's Degree	317	12	244	13	171	137	12	9	312	23	
Pharmacist	218	31	475	58	157	307	25	42	638	54	
Professional	61	5	91	7	129	233	14	6	185	7	
Phd	6	3	11	0	7	2	1	0	9	2	
Taral	8,698	2,469	4,026	1,357	8,398	3,936	2,505	1,396	12 127	2 062	
Total	11	L,168	5,	,383	12	2,334	3	,901	12,137	3,862	



Employee Recruitment

Kalbe's applies the principle of justice, and provides equal opportunities to all candidates without discriminating against religion, race, ethnicity, and gender. Kalbe also ensures that there is no forced labor or child labor (under 18 years old) working in the Company. Kalbe protects the rights and obligations of all employees (100%), including Human Rights (HAM) through a Collective Labor Agreement (CLA). [2-30]

Employee Remuneration and Benefits

Kalbe pays its employees remuneration based on their rights and ensures they comply with the applicable regulations related to regional minimum wage (UMR) (1:1 ratio). Remuneration is determined based on position level, not on gender, so that male and female employees will receive equal remuneration based on their respective levels. [401-2][405-2][FP3]

Pension Program

Three years prior to retirement age at 55 years old, Kalbe provides a retirement preparation program, and retirement preparation training for Kalbe employees and their spouses. Retirement preparation includes entrepreneurial material, and how to use their pension money wisely. Employees over 55 years of age will also still have the opportunity to remain employed as Advisors or Consultants. [201-3]

Maternity Leave

Kalbe also provides maternity leave for 3 months to female employees who are about to give birth and 3 days for male employees whose wives are about to give birth.

[401-3]

Employee Performance Evaluation

In line with the Company's strategy and objectives, Kalbe carries out a performance management process for all (100%) of its employees starting with planning, monitoring, and evaluating work goals and employee contributions. Performance assessments use a self-assessment method, as well as assessments from colleagues and superiors. The assessment results form the basis for implementing HR development that is periodically evaluated through a people review process at the subsidiary level to the corporate level. [404-3]

Gender Equality and Inclusivity [3-3][405-1]

Kalbe supports and implements the principles of gender equality and inclusiveness, and is committed to offering equal opportunities for every individual to work and develop with the Company. In 2022, 32.52% of the employees and 32.35% of the executives were female.

Kalbe Group has developed a gender equality framework with five pillars based on Kalbe's sustainability strategy "Together, Building a Healthy Nation". The framework includes gender equality policies in the Kalbe Group, improvement of women's facilities, the Kalbe Kartini Program, gender equality education and training program plans, supply chain and marketing activities, as well as community activities that support gender equality. Kalbe has signed a policy that serves as a guideline for all Kalbe personnel in realizing Kalbe SERASI (Selaras, Serasa, Semisi) for women's empowerment and gender equality.

Actively, Kalbe promotes gender equality through several programs, including Women Leaders' Inspirational Session, Kartini (Women's Emancipation Leader) Kalbe, Parenting Education, health education (stunting and pregnancy), Sales Agent Program for Women (BEJO Sales Agent), financial literacy training for women in Paniis Village, Banten (Post Tsunami Disaster Recovery Program). Currently, we are carrying out a thorough evaluation of our policies, procedures and infrastructure to enhance our commitment to inculcating the principles of inclusivity, gender equality and women empowerment into the Company's values and culture.

Education and Training

HR development is a priority to build the Company's sustainability. Kalbe regularly provides tiered training

to employees to receive a quality work experience and form a leadership spirit based on Kalbe Panca Sradha values. Kalbe's employee education and training programs refer to a learning framework consisting of four competence pillars: leadership competence, general competence, functional competence and digital competence. Kalbe also provides digitalization training to develop employees' digital skills in the future. In 2022, Kalbe organized 70,182 training programs with a total of 195,665 hours of training attended by 17,130 female employees and 54,291 male employees. [3-3]

PT Kalbe Farma Tbk's Employees Training and Capacity Building [404-1]

Description	20	2022		021	2020	
Description	Male	Female	Male	Female	Male	Female
Total Training Hours (hours)	139,869	55,796	92,515	79,100	168,599	182,456
Average Training Hours/ Employee (hours/employee)	2.	74	15	5.66	53	3.00

Leader Creates Leaders

Through the 'Leader Creates Leaders' approach, Kalbe manages and prepares quality human resources to become future leaders by involving all of Kalbe's leaders in assisting and developing HR. All leaders are given the opportunity to improve employee capabilities through a coaching and mentoring process. Leader Creates Leaders consists of the Kalbe Middle Management Program (KMMP), Kalbe First-line Management Program (KFMP), Leader as Coach, and Global Talent Management Program.

Vocational Program by Kalbe Learning Center

Through the Kalbe Farma professional certification body (LSP), Kalbe carries out work competency certification for employees in Kalbe and its network, under the auspices of BNSP. LSP Kalbe Farma has a license to issue professional certification in the field of chemical analysis. In 2022, KLC collaborated with a Pharmacy Vocational School, and 2 D3 Chemical Analysis Campuses, learning for 1,318 student participants and 61 pharmacy SMK teachers and conducted 1,255 hours of learning.



Report Profile [2-3]

Kalbe publishes a Sustainability Report every year at the same time as the Annual Report. The 2021 Sustainability Report was published in April 2022. The data presented in this 2022 Sustainability Report covers Kalbe's sustainability performance for the period January 1 to December 31, 2022.

Contact Person [2-3]

Bernardus Karmin Winata

Sustainability Director E-mail: corp.comm@kalbe.co.id

Reporting Scope [2-2]

This report presents the economic, employment and governance performance based on Kalbe Group's consolidated data. The environmental and social performance data reflects the performance of several subsidiaries in Kalbe's four business divisions, as conveyed in each statement. The Prescription Pharmaceuticals Division performance is represented by PT Kalbe Farma Tbk (Cikarang), PT Dankos Farma, PT Hexpharm Jaya (Cikarang), PT Finusolprima Farma Internasional, and PT Kalbio Global Medika factories, the Consumer Health Products Division by PT Bintang Toedjoe (Cikarang and Pulogadung) and PT Saka Farma Laboratories (Cikarang), and the Nutritionals Division's by PT Sanghiang Perkasa, PT Kalbe Morinaga Indonesia, and PT Kalbe Milko Indonesia. Kalbe is continuously looking to improve its environmental information, and has included a performance report from the Distribution and Logistics Division represented by PT Enseval Putera Megatrading Tbk.

Content Determination and Material Topics Impact Boundaries

The Sustainability Report is prepared by the Company's internal team from the Corporate Communications & Sustainability Function, as well as the President Director and Director of Sustainability who determine the material topics, topic boundaries, and report content. The information in this Report refers to the

Financial Services Authority Regulation (POJK) No. 51/POJK.03/2017, the Financial Services Authority Circular (SEOJK) No. 16/SEOJK.04/2021, and with reference to the Global Reporting Initiative (GRI) 2021 Standard, GRI Food Processing Sector Disclosure, and the Sustainable Accounting Standard Board (SASB): Biotechnology & Pharmaceuticals.

In this Sustainability Report, there are restatements of information related to the information in the report. No significant changes occurred in the Report. Although Kalbe has not appointed an independent agency to carry out assurance of this Report, Kalbe ensures the information submitted is accurate. The financial information in this report refers to the Company's 2022 audited Financial Statements. [2-4][2-5]

Material Topics, Key Issues, and Impact on Stakeholders [3-1][3-2]

Kalbe refers to the 'SEHAT' pillars when determining priority material topics, by adjusting the performance targets in each pillar. The material topics in this report were determined based on the results of the Focus Group Discussion (FGD) held in September 2022 involving all stakeholders. There are additional material topics in the 2022 Sustainability Report, namely Diversity and Equality.

Response to Feedback

Kalbe would like to thank you for all for your appreciation of the 2021 Sustainability Report, including input for improvements from all stakeholders, especially rating agencies and investors. We received suggestions and improvements through external stakeholders evaluation results and also verbally from employees. Overall, the Company has accommodated the input from last year's report into the 2022 Sustainability Report, so that stakeholders can read more about access to Kalbe's health services. We also accept suggestions, criticisms, and responses to the 2022 Sustainability Report through the Feedback Sheet at the end of this Report.

		Im	pact on Stakehold	ers	
Material Topics		Head Office	Manufacturing	External	Key Issues
3 Turn 9 Turn 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Customer Health and Safety	Employees, Shareholders	Employees, Partners/ Working Partners	Communities, Customers, Government	Maintaining and improving customer trust in Kalbe products and services as health solutions.
3 ==== -W•	Occupational Health and Safety (OHS)	Employees	Employees, Partners/ Working Partners	Communities, Government, Media	Maintaining a safe and healthy working environment for all employees so together they can create a Healthy Indonesia.
2 mm 8 mm om m	Economic Performance	Shareholders, Employees	Employees, Partners/ Working Partners	Communities, Customers, Government, Media	Ensuring the growth of economic performance through market creation, operational effectiveness and efficiency, and social responsibility.
4 month 8 minut out and	Procurement Practices	Employees	Employees, Partners/ Working Partners	Communities, Customers, Government, Partners/ Working Partners	 Managing integrated supply chains to ensure supply sustainability. Ensuring there is no forced labor in the procurement practices and supply chains.
9 11 11 11 11 11 11 11 11 11 11 11 11 11	Markerting and Labeling	Employees, Shareholders	Employees, Partners/ Working Partners	Communities, Customers, Government, Association	Strengthening the quality management system, customer protection, and products and services information to ensure the community/ customer health and safety.
7 13 13	Energy	Employees	Employees, Partners/ Working Partners	Communities, Government, Media	Improving efficiency through energy conservation to increase national energy security.
4 ments 5 ments 10 me	Training and Education	Employees	Employees, Partners/ Working Partners	Communities, Customers, Government, Association, Media, Partners/ Working Partners	Building human resources based on the Panca Sradha culture in synergy with the 'One Kalbe' spirit.
5 mm 10 mm 1	Diversity and Equal Opportunity	Employees	Employees, Partners/ Working Partners	Partners/ Working Partners	 Ensuring employees receive equal opportunities, equal wages, and are well received regardless of differences. Ensuring opportunities for female leadership and full participation in decision-making processes.



POJK No. 51/POJK.03/2017 References

No.	Indicators	Page(s)
	Sustainability Strategy	
A.1	Elaboration on Sustainability Strategy	4
	Summary of Sustainability Aspect Performance	
B.1	Economic Aspects	7
B.2	Environmental Aspects	8
B.3	Social Aspects	7
	Profil Perusahaan	
C.1	Vision, Mission, and Values of Sustainability	13
C.2	Company's Address	14
C.3	Enterprise Scale	15
C.4	Products, Services, and Business Activities	14
C.5	Membership in Association	16
C.6	Significant Changes in Issuers and Public Companies	51
	The Board of Directors' Explanation	
D.1	The Board of Directors' Explanation	10-12
	Sustainability Governance	
E.1	Responsible for Implementing Sustainable Finance	18
E.2	Competency Development Related to Sustainable Finance	18
E.3	Risk Assessment of the Implementation of Sustainable Finance	19
E.4	Relations with Stakeholders	19-21
E.5	Problems with the Implementation of Sustainable Finance	22
	Sustainability Performance	
F.1	Sustainable Culture Development Activities	47
	Economic Performance	
F.2	Comparison of targets to performance of production, portfolio, financing targets, or investments, revenue as well as profit and loss	45
F.3	Comparison of target to performance of portfolio, financing target, or investments in financial instruments or projects in line with the implementation of Sustainable Finance	45
	Environmental Performance	
Gener	al Aspect	
F.4	Environmental Costs That Incur	28
Mater	ial Aspect	
F.5	Use of Environmentally Friendly Materials	29
Energ	y Aspect	
F.6	Amount and Intensity of Energy Used	30
F.7	Efforts and Achievements of Energy Efficiency and Use of Renewable Energy	31
Water	Aspect	
F.8	Water Usage	36

No.	Indicators	Page(s)				
Biodiv	ersity Aspect					
F.9	Impacts from Operational Areas that are Near or Located in Conservation Areas or Have Biodiversity	36				
F.10	F.10 Biodiversity Conservation Efforts					
Emissi	on Aspect					
F.11	Total and Intensity of Emissions Generated by Type	33				
F.12	Efforts and Achievements of Emission Reduction Made	31				
Waste	and Effluent Aspects					
F.13	Amount of Waste and Effluent Generated by Type	34				
F.14	Waste and Effluent Management Mechanism	33-35				
F.15	Occurring Spills (if any)	Not Relevant				
Comp	laint Related to the Environment Aspect					
F.16	Number and Material of Environmental Complaints Received and Resolved	28				
	Social Performance					
F.17	Commitment to Provide Services on Equal Products and/or Services to Consumers	39				
Emplo	yment Aspect					
F.18	Equal Employment Opportunity	49				
F.19	Child Labor and Forced Labor	49				
F.20	Regional Minimum Wage	49				
F.21	Decent and Safe Work Environment	37				
F.22	Employee Capability Training and Development	50				
Comm	nunity Aspect					
F.23	Impact of Operations on Surrounding Communities	40				
F.24	Community Complaints	41				
F.25	Corporate Social Responsibility (CSR)	40				
	Responsibility for Sustainable Product/Service Development					
F.26	Innovation and Development of Sustainable Financial Products/Services	26-27				
F.27	Products/Services That Have Been Evaluated for Safety for Customers	42				
F.28	Product/Service Impact	42				
F.29	Number of Product Recalls	42				
F.30	Customer Satisfaction Survey on Sustainable Financial Products and/or Services	41				
	Others					
G.1	Written Verification from Independent Party (if any)	51				
G.2	Feedback Sheet	58				
G.3	Responses to Feedback on the Previous Year's Sustainability Report	51				



Global Reporting Initiative (GRI) Standards 2021 Content Index, GRI Food Processing Sector Disclosure, and SASB: Biotechnology & Pharmaceuticals

GRI Index	Disclosure	Location (Pages)
Statement of Use	PT Kalbe Farma Tbk has reported the information cited in this GRI content index for the period 1 January – 31 December 2022 with reference to the GRI Standards.	
GRI 1 used	GRI 1: Foundation 2021	
General Disclosures		
GRI 2: General	2-1 Organization details	13
Disclosures 2021	2-2 Entities included in the organization's sustainability reporting	51
	2-3 Reporting period, frequency and contact point	51
	2-4 Restatements of information	7, 15, 45, 51
	2-5 External assurance	51
	2-6 Activities, value chain and other business relationships	14, 15, 16
	2-7 Employees	47-48
	2-8 Workers who are not employees	48
	2-9 Governance structure and composition	18
	2-10 Nomination and selection of the highest governance body	18
	2-11 Chair of the highest governance body	18
	2-12 Role of the highest governance body in overseeing the management of impacts	18-19
	2-13 Delegation of responsibility for managing impacts	18
	2-14 Role of the highest governance body in sustainability reporting	22
	2-15 Conflicts of interest	19
	2-16 Communication of critical concerns	18
	2-17 Collective knowledge of the highest governance body	18
	2-18 Evaluation of the performance of the highest governance body	18
	2-19 Remuneration policy	18
	2-20 Process to determine remuneration	18
	2-21 Annual total compensation ratio	18
	2-22 Statement on sustainable development strategy	4, 10
	2-23 Policy commitments	22
	2-24 Embedding policy commitments	22
	2-25 Processes to remediate negative impacts	22
	2-26 Mechanisms for seeking advice and raising concerns	19
	2-27 Compliance with laws and regulations	23
	2-28 Membership associations	16
	2-29 Approach to stakeholder engagement	19-21
	2-30 Collective bargaining agreements	49
Material Topics		
GRI 3: Material Topics	3-1 Process to determine material topics	51
	3-2 List of material topics	51
	3-3 Management of material topics	30, 37, 42, 44, 45, 49, 50

GRI Index	Disclosure	Location (Pages)
GRI 201: Economic	201-1 Direct economic value generated and distributed	45
Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	29
	201-3 Defined benefit plan obligations and other retirement plans	49
	201-4 Financial assistance received from government	45
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	44
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	43
SASB: Biotechnology & Pharmaceuticals	HC-BP-510a.1: Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	19
GRI 3: Material Topics	3-3 Management of material topics	19
GRI 302: Energy 2016	302-1 Energy consumption within the organization	30
	302-2 Energy consumption outside of the organization	30
	302-3 Energy intensity	30
	302-4 Reduction of energy consumption	31
	302-5 Reductions in energy requirements of products and services	31
GRI 303:	303-2 Management of water discharge-related impacts	33
Water and Effluents 2018	303-3 Water withdrawal	36
	303-4 Water discharge	34
	303-5 Water consumption	36
GRI 305:	305-1 Direct (Scope 1) GHG emissions	33
Emission 2016	305-2 Energy indirect (Scope 2) GHG emissions	33
	305-3 Other indirect (Scope 3) GHG emissions	32
	305-4 GHG emissions intensity	33
	305-5 Reduction of GHG emissions	31
	305-6 Emissions of ozone-depleting substances (ODS)	32
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	32
GRI 306:	306-2 Management of significant waste-related impacts	33
Waste 2020	306-3 Waste generated	34
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	47
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	49
	401-3 Parental leave	49
GRI 3: Material Topics	3-3 Management of material topics	37
GRI 403:	403-1 Occupational health and safety management system	37
Occupational Health & Safety 2018	403-2 Hazard identification, risk assessment and incident investigation	37
& Salety 2010	403-3 Occupational health services	37
	403-4 Worker participation, consultation, and communication on occupational health and safety	37
	403-5 Worker training on occupational health and safety	37
	403-6 Promotion on worker health	37
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	37
	403-8 Workers covered by an occupational health and safety management system	37-38
	403-9 Work-related injuries	37
	403-10 Work-related ill health	50



GRI Index	Disclosure	Location (Pages)
GRI 404:	404-1 Average hours of training per year per employee	50
Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	50
	404-3 Percentage of employees receiving regular performance and career development reviews	49
GRI 3: Material Topics	3-3 Management of material topics	49
GRI 405: Diversity and	405-1 Diversity of governance bodies and employees	49
Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	49
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	46
GRI 3: Material Topics	3-3 Management of material topics	42
GRI 416:	416-1 Assessment of the health and safety impacts of product and service categories	26, 42
Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	42
SASB: Biotechnology & Pharmaceuticals	HC-BP-270a.1: Total amount of monetary losses as a result of legal proceedings associated with false marketing claim	42
	HC-BP-270a.2: Description of code of ethics governing promotion of off-label use of products	42
GRI 3: Material Topics	3-3 Management of material topics	42
GRI 417:	417-1 Requirements for product and service information and labeling	42
Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	42
	417-3 Incidents of non-compliance concerning marketing communications	42
GRI Food Processing Sector D	isclosure	
GRI Food Processing Sector Disclosure	FP1 Percentage of purchased volume from suppliers compliant with company's sourcing policy	43
	FP2 Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard	42
	FP3 Percentage of working time lost due to industrial disputes, strikes and/or lock-outs, by country	47, 49
	FP5 Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	42
	FP6 Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars	42
	FP7 Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives	42



Feedback Form

The PT Kalbe Farma Tbk 2022 Sustainability Report has provided an overview of the Company's sustainability performance. We look forward to your input on this Sustainability Report via the e-mail at the bottom of this form.



Thank you for your input. Please send the feedback form by: E-mail: corp.comm@kalbe.co.id



PT Kalbe Farma Tbk

Corporate Communication & Sustainability Function Gedung Kalbe Jl. Let. Jend. Suprapto Kav. 4 Cempaka Putih, Jakarta 10510, Indonesia Phone: (62-21) 4287 3888

Phone: (62-21) 4287 3888 Website: www.kalbe.co.id