

Danone Ecosystem Fund

Sourcing
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Distribution
Caring
services



Spotlight on
Caring for those helping the elderly

Update on
the Pemulung project in Indonesia

Recently approved Projects

“It is a common sense observation that no living organism can grow and develop in a deprived environment or a desert. It is in a company’s best interests to take good care of its economic and social environment, in one word its “ecosystem”.”

Franck Riboud - Chairman & CEO - Danone

<http://ecosysteme.danone.com>



Point of view



The Danone Ecosystem Fund: combining experimentation and professionalization

“When the Danone Ecosystem Fund was created, I was offered a front-row seat from which to observe this pioneering approach. By attending the monthly operational committee meetings, I was able to get a first-hand look at developments in the way the Ecosystem team operates and in the way projects are rolled out and supervised: there is a strong sense of progress along a pathway somewhere between experimentation and professionalization.

The Fund appears to work rather like a start-up: a constant brainstorming leading to ideas which help build a framework to manage initiatives, refocus debates and assert a genuine ambition. The Ecosystem team works in close cooperation with Danone subsidiaries and the NGOs in the field. In so doing, the team allows to turn something that often starts out as the wish of a local manager into a project that can be put before the «SIC» (Social Innovation Committee).

Meeting after meeting, references to previous projects form a “collective memory” which developments need to be followed cautiously. Managing know-how, thinking about the challenges of overseeing a project with partners with differing visions: many stalemates that can sometimes lead to redefine initiatives.

There is a clear learning curve, as each new project arrives. Is there a proper balance between the social impact and the business impact? How could this initiative be interpreted?

I have sat in on some heated discussions. But such is the price for maintaining a steady course. The challenge is not only about bringing about lasting change in Danone’s relationship with its ecosystem, but also learning lessons that can help transform the Group.”

Frédéric Dalsace,

Professor at HEC Paris,
Chair of Social Business / Enterprise and Poverty Studies,
sponsored by Danone and Schneider Electric.

Recently approved projects



SOURCING

> INDIA MILK FARMING Danone India in partnership with Jeev Mantra*

Preliminary study will be conducted to design a project aiming at supporting local milk supply chain in Haryana province.

* Fund working to promote agriculture and farmers' activities

> REVITALIZING FARMING Danone Japan in partnership with Japan NPO center*

Support the revitalization of agriculture, in particular milk farmers, in the area devastated by earthquakes and tsunami, in March 2011.

* Institution aiming to strengthen local NGOs



SOURCING



SOURCING

> KAZAKHSTAN MILK FARMING Danone Kazakhstan in partnership with Montpellier SupAgro*

Strengthening small milk farmers through cooperatives to improve both their competences and income while preventing milk shortage.

* International Center for higher education in agricultural sciences

> LATER PHASES OF THE PROJECTS ALSO APPROVED:

PEMULUNG EMPOWERMENT
PROGRAM - Indonesia

HORIZON 2015 - France

CIATER DAIRY DEVELOPMENT
PROGRAM - Indonesia



Spotlight on

Caring for those helping the elderly

Increasing life expectancies are set to have a major impact on the future of our societies. In France and Brazil, two Danone Ecosystem Fund projects are anticipating these changes. Their shared aim: to promote the employability of caregivers, by training them in the nutritional needs of elderly people, or by giving them a real status.

“Eating well” + “Moving well” = the two keys to “Ageing well”

In France, 450,000 people aged over 65 living in their own homes and 50% of all people living in residential homes suffer from undernutrition.

The charity Siel Bleu* works with more than 2,000 care institutions to help nearly 60,000 people by taking regularly physical exercise. In addition, Nutricia** is looking to raise awareness of the issue of undernutrition and its

consequences: increased risk of infections, falls, extended hospital stays... “So coming together to create a joint project was a natural step”, explains Michel Albrecht, General Manager “Bien Vieillir” Partnerships at Nutricia.

The physical educators at Siel Bleu fully understand the issues of undernutrition for older people: “Through the activity sessions, where people talk to each other a great deal, we can recommend good dietary habits and identify people in difficulty so that we can advise them to discuss it with their doctor”, explains Jean-Michel Ricard, Co-General Manager of Siel Bleu.

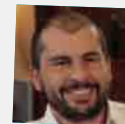
The project is a typical example of co-creation: together, Siel Bleu and Nutricia are setting down the rules for “ageing well”, giving seniors the chance to remain independent for longer.

* Siel Bleu (Sport, Initiative Et Loisirs) is a charity specializing in preventive health care

** Nutricia is the global brand of Danone Medical Nutrition division

JEAN-MICHEL RICARD

CO-GENERAL MANAGER OF SIEL BLEU
“Bien vieillir” project, France



“For us, it’s clear that “eating well” goes hand in hand with “moving well”. We came together with Nutricia to think about ways of incorporating nutrition into our approach. Thanks to the Danone Ecosystem Fund, our staff have developed a greater understanding of the issues of nutrition and undernutrition, and we are able to warn people who take part in our sessions.

The partnership is also helping us to make sure that our approach reaches even more of the country: together, we have produced a knowledge base that is used for internal training. Whenever we set up in a new area or region, we use it to start up everywhere with the same methods and the same information.”

INGRID MAZETO

PRESIDENT OF OLHE
“Caring for the Caregivers” project, Brazil



“The ageing population is already raising major issues for our society. Right now, in Brazil, there are 2.3 million seniors who are reliant on help from caregivers to live their lives. Olhe was founded in 2006 to break through the isolation that surrounds caregivers, bring them together and get them communicating. The charity is staffed by numerous medical professionals from all kinds of backgrounds, and our aim is organize them in a network.

We are currently working closely with the committee set up by Danone Medical Brazil: our roadmap, our communication campaign and our intervention work are all the result of that close collaboration.”



Caregivers: a career in its own right

In Brazil, elderly people will make up almost 30% of the population by 2050. Yet today, it is difficult to recruit competent staff. Older people have specific dietary and healthcare requirements and caregivers are the front line when it comes to increasing awareness of these issues among the elderly. With the «Caring for the Caregivers» program, Danone is lining up alongside them to offer a dedicated service to seniors.

Danone Medical Brazil*, a subsidiary of Danone Medical Nutrition, has joined forces with a local NGO, Olhe**, which specializes in training people to work with the elderly. “The main aim is to professionalize caregiving. We want to ensure genuine professional recognition for the work done by caregivers”, explains Ingrid Mazeto, the charity’s President. In the space of five years, 1,150 people will receive suitable training.

Around 80% of them should find employment. “This project is one of the most promising social innovations around in Brazil. We are working as a real operational partner for Olhe”, says Alessandra Arraiz, project manager at Danone Medical Brazil. To reinforce the capabilities of caregivers and subsequently their access to the jobs market, special dedicated internet platforms like Sabor de Viver*** are available.

Through the “Caring for the Caregivers” project, Olhe and Danone Medical Brazil are working together to promote a profession that is essential to the health and well-being of seniors. There is a future in services for the elderly!

* Support Advanced Medical Nutrition, a subsidiary of Danone in Brazil

** Observatório da Longevidade Humana e Envelhecimento, a Brazilian NGO that works to bring public awareness on longer life expectancies

*** Platform providing advice on health and nutrition, created by Danone Medical Brazil.



More about



Co-creation at Danone: thinking, building and achieving together

by **Jean-Christophe Laugée**,
Societal Innovation and Danone Ecosystem Fund

“ Despite their undoubted virtues, charity and philanthropy have little impact on the way we do business. Co-creation is a pioneering and active kind of interaction between two partners: Danone and a local non-profit

the partners serve to ensure that the project’s management, credibility and sustainability are second to none.

As an innovative approach to creating and sharing value - whether economic or social -, co-creation is systematically adopted for projects supported by the Danone Ecosystem Fund. It promotes effective local integration and the development of more innovative, long-term solutions, whilst asserting Danone’s dual economic and social project in the field. ”



organization (NGOs, social entrepreneurs, multilateral institutions) with extensive knowledge of the local conditions, people and challenges.

Instead of a donation, we have a genuine investment assumed jointly by the partners. The cooperation and interactions between



Update on



Pemulung: a pioneering project to improve the lives of Indonesian waste pickers

Launched in January 2010, the “Pemulung” project (the term means “waste pickers”) will soon be completing its pilot phase. The initial results are all encouraging: five recycling cooperatives are up and running. Every month, a total of 30 tons of plastic and cardboard are collected, transformed and resold, by around fifty groups, bringing together almost 1,000 waste pickers.

Nearly two million Pemulung are cleaning recyclable waste in the cities. They are reliant on various intermediaries in the collection chain and they have no social status at all. Yet they do a job with high environmental value: “The waste pickers community helps to clear our bottles from the environment, and in doing so they also significantly reduce our carbon footprint”, explains Annie Wahyuni, project manager at Danone AQUA.

It was in pursuit of that social and environmental goal that Danone AQUA, Bina Swadaya* and Ashoka** originally came up with the project: “The expertise needed to organize the Pemulung into interdependent groups is the key to this innovative model”, explains Yann Brault, Sustainable Development Director at Danone AQUA and Danone Ecosystem Coordinator for the Asia-Pacific region.

Now, the cooperatives need to develop along the lines of social business models, so as to be able to pool their profits and to value the Pemulung’s income. The cooperatives will enable the waste pickers and their families to gain access to various services, such as water access, micro-loans and education.

* Bina Swadaya, an Indonesian NGO specializing in micro-credit

** Ashoka, an international NGO specializing in social entrepreneurship

ARIEF DJATI,

ASHOKA PROJECT MANAGER



“There are three main activities for the cooperatives: mobilizing and organizing the Pemulung into groups that work together, processing waste and developing social services. The program aims to meet the needs of waste pickers: stabilize or even increase their income and ensure they are considered as full members of society! Any profits made by the centre will be redistributed to the pickers, through services.

The aim is to have the waste pickers organize themselves into a group with dignity and to set an example for others. But there are many challenges: this is a very mobile population, and they often have very complicated connections to intermediaries; mobilizing the Pemulung and building trust are extremely delicate tasks and require real know-how.”

ANNIE WAHYUNI,

DANONE AQUA PROJECT MANAGER



“Danone is concerned with both economic success and social progress. So the informal and often very unfair way the Pemulung work is alien to our values. We are keen to make this work more ethical, to get it recognized by society. We want the Pemulung to be proud of what they do.

Also, we aim to use the recycled PET (rPET) to make our water bottles. So we need to put in place a sustainable supply chain for the future. We believe in shared value creation.”



25 projects co-created with local partners since 2009

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