



2024

Suntory Group Sustainability Site

PDF

SUNTORY

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CEO Message



Embracing our Corporate Philosophy as GLOBAL ONE SUNTORY

This year, Suntory celebrated its 125th anniversary. As our 'Suntory Group Corporate Philosophy,' we aim to realize our corporate purpose, which is to inspire the brilliance of life, by creating rich experiences for people, in harmony with nature. To guide our 40,000 Suntorians worldwide, we have established core values 'Growing for Good,' 'Yatte Minahare*' and 'Giving Back to Society.' These philosophies serve to unite all Suntorians across diverse nationalities, languages, and throughout our various businesses to universally share the same purpose and values. Together, as GLOBAL ONE SUNTORY, we aim to continue growing as a corporate group for the next 100 or even 200 years.

* The spirit of ambition to dream big, take challenges, and never give up.

Suntory Continues to Take on Challenges that Tackle Global Issues

As I attended the World Economic Forum's Davos this year, I was struck by how the conversation shifted from a consensus around global challenges related to climate and social issues to creating pathways for actions that could solve these problems. This year, discussions were very focused on detailing specific technologies that presented solutions to meet our common goals.

For example, new technologies aimed at reducing Scope 3 greenhouse gas (GHG) emissions took center stage amidst a consensus on the common challenge of tackling this issue. It reinforced our belief that Scope 3 GHG reduction is a priority for Suntory, and that we must keep a close watch on the global technological trends that are advancing.



Regenerative agriculture to address climate change was another trending topic at Davos. Building on the debut of agriculture and food systems as part of the main agenda during The Conference of the Parties to the UN Framework Convention on Climate Change (COP28) in November 2023, there has been an accelerated debate on the transition to sustainable production and consumption. Regenerative agriculture is a priority for Suntory and we will continue to drive sustainable practices in partnership with our customers, suppliers, other industries, and communities. In this regard, we have already launched several initiatives, such as working with barley farmers to implement better soil health and water practices with the goal to produce barley with 50% lower GHG emissions within five years.

In the current reality where temperatures are expected to rise beyond 1.5°C, Suntory Group maintains a strong climate commitment, driven by the belief that there is still more that can be done. We persist in our global challenge towards realizing a sustainable society.

Leveraging the Uniqueness of Suntory for Accelerated Growth Globally

To achieve sustainable growth, even in an increasingly complex business environment, Suntory is taking on the challenge of innovation by bringing together the resources and skillsets of our global organization in new and exciting ways.

The Suntory Group's strength lies in none other than its position as a multifaceted beverage company. As both an alcoholic beverage and a soft drink manufacturer, we are a unique presence, even on a global scale. To utilize this uniqueness for further growth, we are strengthening the RTD (Ready-to-Drink)* category, a natural alignment to fuse our 'alcoholic beverages' and 'soft drinks.' While these two sectors have different cultures and manufacturing technologies, we have approached this challenge as a 'GLOBAL ONE SUNTORY'. We aim to become the world's number one RTD company and have already launched a comprehensive collaboration between our overseas alcoholic beverages and soft drinks businesses in the Oceania market. By the middle of 2024, we plan to have our factories in operation, maximizing group synergy in the RTD sector. We will combine the technologies and expertise cultivated across these two sectors, create unprecedented unique value, and focus on strengthening our global portfolio.

* RTD alcoholic beverages such as canned chuhai, canned cocktails and canned highballs are premixed and ready for consumption.

Continued Commitment as a Value-Creating Company

The most important foundation of the Suntory Group is its people. Since Suntory began, we have continued to grow by creating new value that has been driven by our people's passion of Suntorians, born from a 'Yatte Minahare' spirit. We believe that people are the most important foundation and capital of our business and we aspire to be a company that values people above all else. We are committed to providing diverse growth opportunities for each individual and fostering a workplace where everyone can shine with high motivation and vitality. We will also continue to strengthen our investment in talent. I strongly believe that the passion that flows from a strong and mature individual can create great innovation.

I also believe that learning about a wide variety of values is essential for the growth of people and organizations. Suntory aims to establish a corporate environment of diversity, equity and inclusion (DEI), where every individual is respected. With 40,000 employees around the world today, we apply the new perspectives gained from sharing and learning from each other's different perspectives and ideas to our daily work. This attitude is vital if we are to continue to be a value-creating company. In order to realize our purpose, we will continue to listen to the voices of our people and increase opportunities to learn about diverse values. We aim for the 'Brilliance of Life'.

Handing Down a Sustainable Society to the Next Generation

The Suntory Group's business is supported by the bounty of nature, including water and crops. Passing on these natural blessings, or the richness of the global environment, to future generations is essential for the longevity of Suntory Group's business. We recognize that issues pertaining to water are a particularly urgent issue, as it is predicted[†] that approximately 5 billion people worldwide will suffer from serious water shortages by 2050. Suntory has been working for water sustainability, a precious resource that we share with local communities, based on our unique 'Water Philosophy' shared by the entire Suntory Group. It was more than 20 years ago that we started the water source conservation activity 'Suntory Natural Water Sanctuary' to ensure the sustainability of water as a shared community resource.

We will continue to advance our 'Water Positive' initiatives, in which we replenish more water than our plants use. This initiative addresses increasing demands for 'Nature Positive' action as we know that it is not enough to simply reduce the burden on our environment, but we must proactively restore nature. The Suntory Group is the only Japanese company to participate in the pilot program of the Science Based Targets Network (SBTN), an international organization that verifies methodologies for setting targets for water and land use, with the aim of realizing 'Nature Positive' in line with common global standards based on science. We have also inherited the spirit of 'Giving Back to Society' from our founder which has become an important part of Suntory's DNA. To guide tomorrow's leaders, we provide opportunities for today's youth to develop rich personalities and character through environmental education such as 'Suntory Mizuiku — Education Program for Nature and Water' and support through art and sports. We will continue to strengthen our 'Next Generation Empowerment' activities by providing support to nonprofit organizations focused on these issues so children can pursue paths that address today's most pressing issues with motivation, hope and aspirations.

The realization of a sustainable society means nothing less than passing on to our children a stable society that can live in harmony with nature, and Suntory always wants to be a company that can help in this regard. As a top executive, it is my responsibility to ensure the successful implementation of this commitment through our investment and work.

We will continue to place sustainability at the center core of our management, delivering the highest quality products and services that contribute to a sustainable society while listening to the voices of our stakeholders, especially our customers. As a globally growing multifaceted beverage company, we are committed to innovation, we will take on new challenges, and we will hand over to our future generations a sustainable society filled with the 'brilliance of life'.

* World Meteorological Organization (WMO), "The State of Climate Services 2021"



April 2024
Takeshi Niinami
Chief Executive Officer
Suntory Holdings Limited

Suntory's Sustainable Management

Suntory Group Philosophy

Being true to our purpose "To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature," we will practice our values of Growing for Good, "Yatte Minahare," and Giving Back to Society.

Suntory Group's Corporate Philosophy Suntory Group's Corporate Philosophy consists of our purpose and values, based on our founding spirit and motto. It expresses our corporate aims and the principles we embrace to achieve them.

Our Purpose The goals of the Suntory Group's business and our corporate direction

**To inspire the brilliance of life,
by creating rich experiences for people, in harmony with nature.**

Our Values The values we embrace to achieve our purpose

Growing for Good	We keep growing, as individuals and as a corporation, towards a better world. By continuing to grow, we expand our capacity to improve society.
"Yatte Minahare"	We refuse to fear failure, refuse to give in or give up, and stay relentless in our quest to innovate new values.
Giving Back to Society	We give back from what our business earns, not only by reinvesting in our company, but by caring for our customers and partners and contributing to society.

The Suntory Group's Vision on Sustainability

As a multifaceted beverage company, we are dedicated to realizing a sustainable society where enriching people's lives and conserving the natural environment go hand in hand. We deeply respect the blessings of nature on which our products rely, and engage in a range of activities to ensure sustainable use of natural resources and a healthy natural water cycle. In addition to delivering products and services that enrich peoples' lives, we strive to ensure that our business growth contributes to a sustainable society across our entire value chain.

The Suntory Group's approach to sustainability and the seven sustainability themes to which we are contributing are outlined in the Suntory Group Sustainability Vision. Being strongly aware of the interdependence between nature and people, we are implementing a range of activities, together with our stakeholders, to realize a world where nature and people live in harmony.

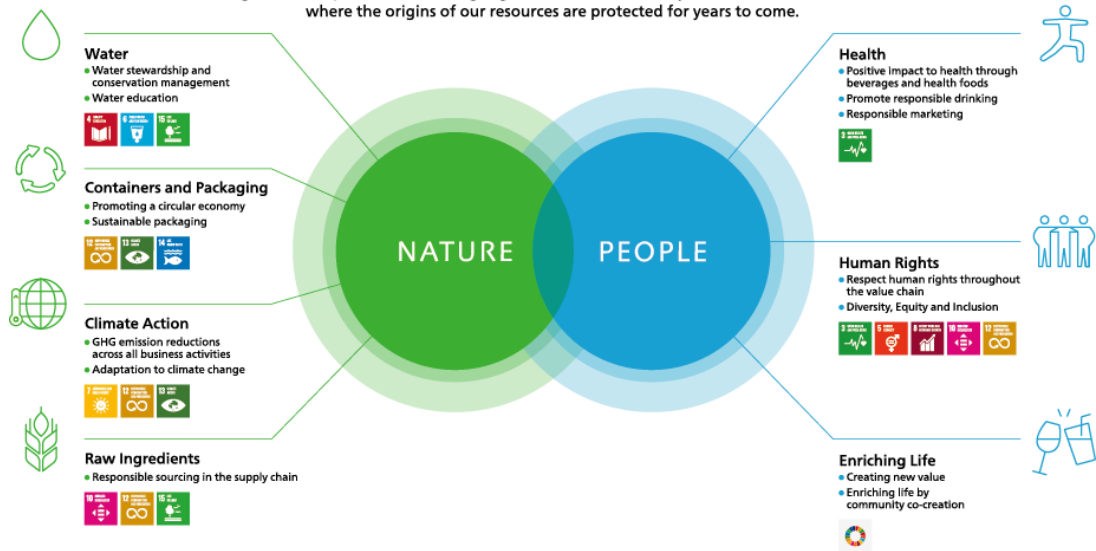
The world faces a wide variety of environmental and social issues, such as water shortages and loss of biodiversity from the changing climate, pollution and increasing waste, poverty, and human rights violations. As companies are expected to implement proactive actions for achieving the Sustainable Development Goals (SDGs)*, which are objectives shared by the whole world, the Suntory Group, which operates globally, will also continue to take on the challenge of realizing a sustainable society by tackling global issues more sincerely than ever before.

* The Sustainable Development Goals are goals adopted at a UN Summit in September 2015 that the whole world should tackle by 2030

The Suntory Group's Vision on Sustainability

Suntory Group Sustainability Vision To Create Harmony with People and Nature

As a multifaceted beverage company whose products rely on the blessings of nature, the Suntory Group is committed to working with our stakeholders to protect and nurture the natural environment. We recognize the importance of coming together to create a society in which all life can flourish and where the origins of our resources are protected for years to come.

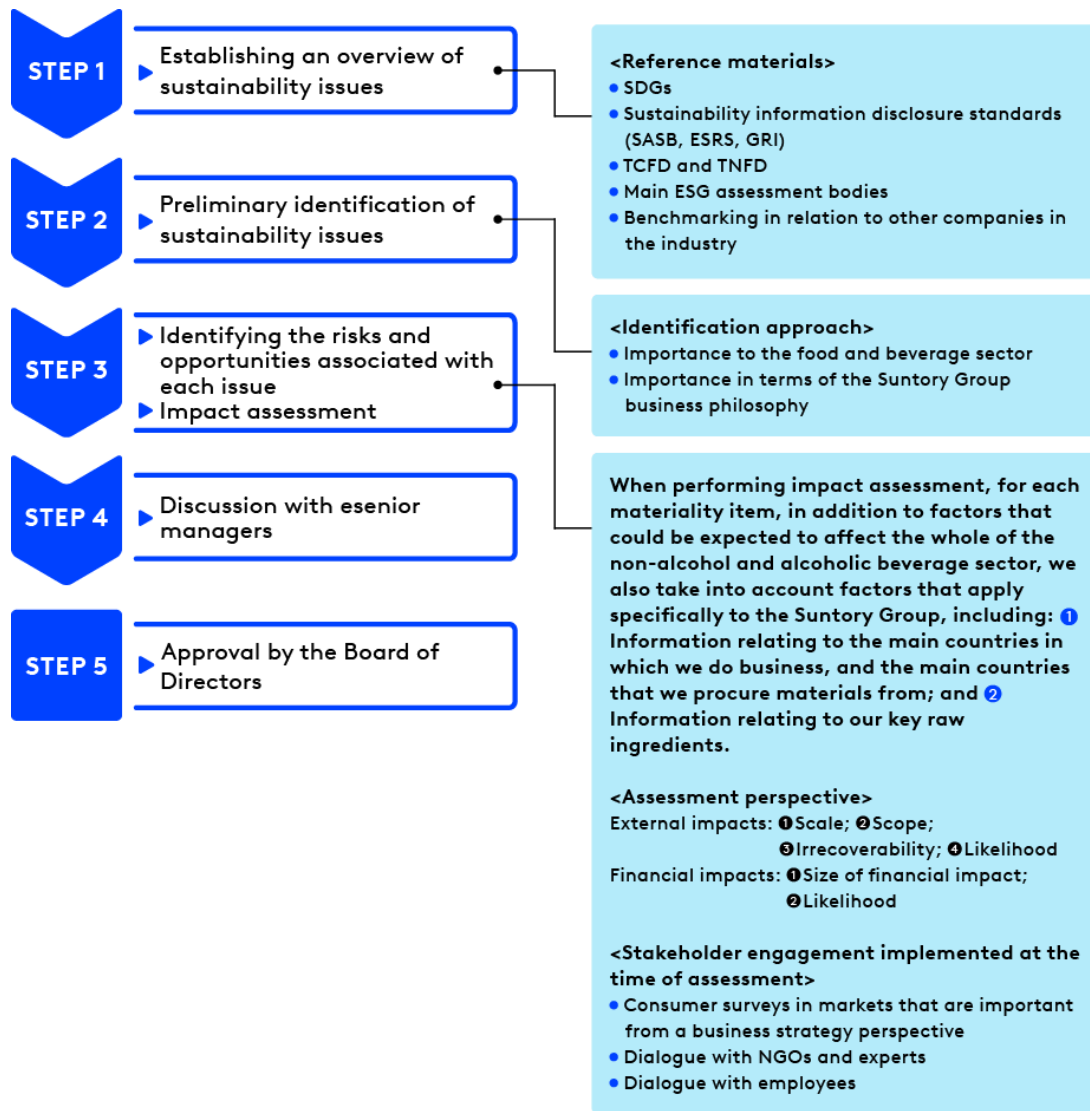


Materiality

To promote sustainable management that takes into account the changes which can be anticipated in the macro environment over the medium to long term, the Suntory Group has identified its materiality, and this materiality is reflected in our sustainability strategy.

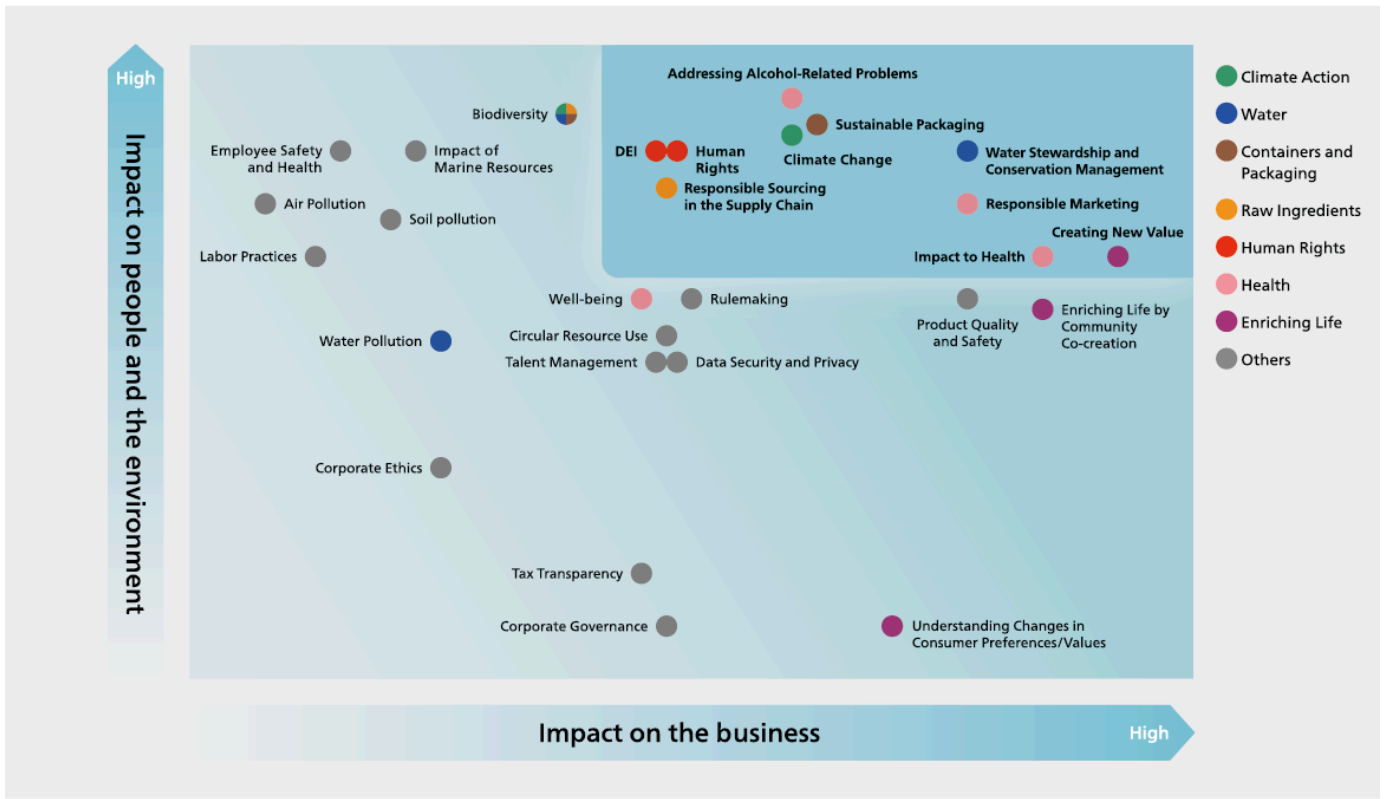
In 2023, the Suntory Group reviewed the results of the materiality analysis that had been performed in 2017. This time, the materiality analysis was based on the double materiality concept, and sought to identify and evaluate the impact on both the company's business and the people and the environment. The seven themes outlined in the Suntory Group Sustainability Vision were collated mainly from the 10 key issues identified as constituting Suntory's materiality. Both the materiality and the Suntory Group Sustainability Vision were approved following discussion by the Board of Directors.

Materiality Identification Process




Materiality Matrix

Using the process outlined above, we identified 10 key materiality items for the Suntory Group. Focusing on these items, we collated seven main sustainability themes that Suntory should address.



Theme	Issue	Initiatives
Water 	<ul style="list-style-type: none"> Water Stewardship and Conservation Management Biodiversity Water Pollution 	<ul style="list-style-type: none"> Water Sustainability
Climate Action 	<ul style="list-style-type: none"> Climate Change Biodiversity 	<ul style="list-style-type: none"> Climate Action
Containers and Packaging 	<ul style="list-style-type: none"> Sustainable Packaging Biodiversity 	<ul style="list-style-type: none"> Packaging & Resource Efficiency
Raw Ingredients 	<ul style="list-style-type: none"> Responsible Sourcing in the Supply Chain Biodiversity 	<ul style="list-style-type: none"> Sustainable Procurement
Human Rights 	<ul style="list-style-type: none"> Human rights Diversity, equity, and inclusion (DEI) 	<ul style="list-style-type: none"> Respect for Human Rights
Health 	<ul style="list-style-type: none"> Addressing Alcohol-Related Problems Impact to Health Responsible Marketing 	<ul style="list-style-type: none"> Positive Choices Responsible Drinking

Theme	Issue	Initiatives
 <p>Enriching Life</p>	<ul style="list-style-type: none"> ● Well-being ● Creating New Value ● Enriching Life by Community Co-creation ● Understanding Changes in COConsumer Preferences/Values 	<ul style="list-style-type: none"> ➤ Communities ➤ Empowering Children & Youth ➤ Arts & Culture ➤ Championing Sports

Dialogue with NGOs Regarding Materiality

Various units in the Suntory Group undertake stakeholder engagement as part of their day-to-day operations. During the process of identifying Suntory's materiality in 2023, we engaged in dialogue with leading international environmental NGOs, such as Conservation International and the WWF, and human rights NGOs, including Human Rights Watch. We received valuable suggestions from these NGOs regarding issues that the Suntory Group should address.

The main feedback received from the NGOs was as follows:

- As a leading company, Suntory is expected to respond to consumers' changing attitudes. It is also expected to increase its communication for the achievements in terms of water conservation over a period of more than 20 years, as consumers will appreciate this.
- Taking water risk assessment as the foundation, Suntory is expected to promote nature-positive management that both meet the company's goals and address the issues affecting people living in the watersheds from which Suntory accesses water. The Suntory Group can make effective use of the capabilities that it has built up to tackle water-related problems affecting people and nature in collaboration with local communities.
- Suntory is expected to undertake stakeholder engagement more frequently, and should conduct dialogue with NGOs in a less formal manner on a day-to-day basis.
- Suntory is expected to announce what it is aiming to achieve in relation to human rights, and should disclose specific targets and the progress.

The Suntory Group will be utilizing the valuable feedback obtained from stakeholders, including from this recent dialogue with NGOs, to promote sustainable management.

➤ **Stakeholder Engagement**

Suntory Group's Mid- to Long-term Targets

The Suntory Group is committed to addressing the wide range of challenges that the world is facing today, and will continue our efforts to realize sustainability. In particular, we have set mid- to long-term targets and are implementing world-leading initiatives for water sustainability, as well as for the pressing issues of reducing GHG emissions and plastics usage.

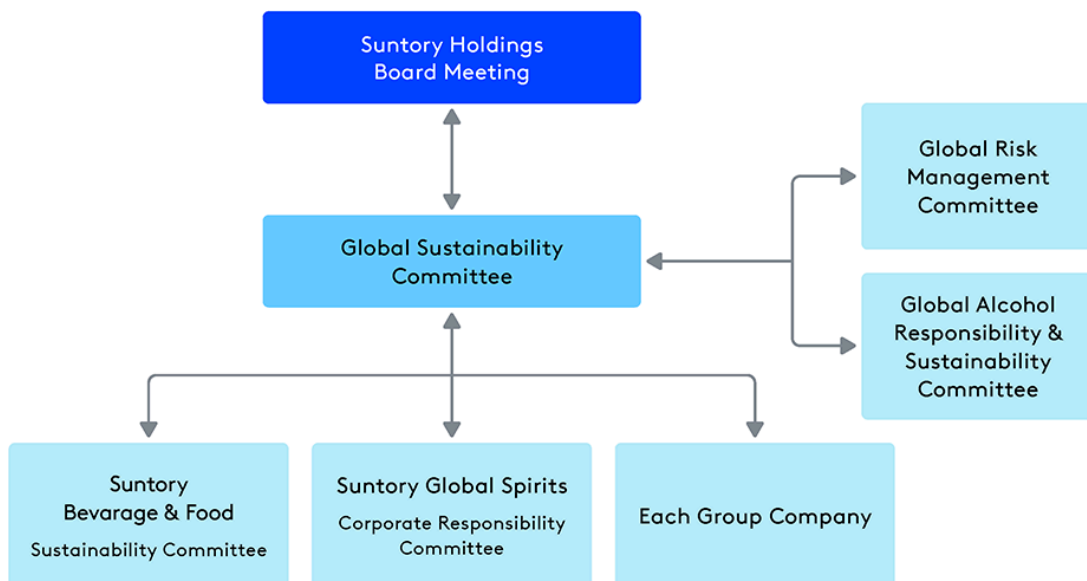


See [SUNTORY GROUP: OUR TARGETS \(PDF file\)](#)

Promoting Structure

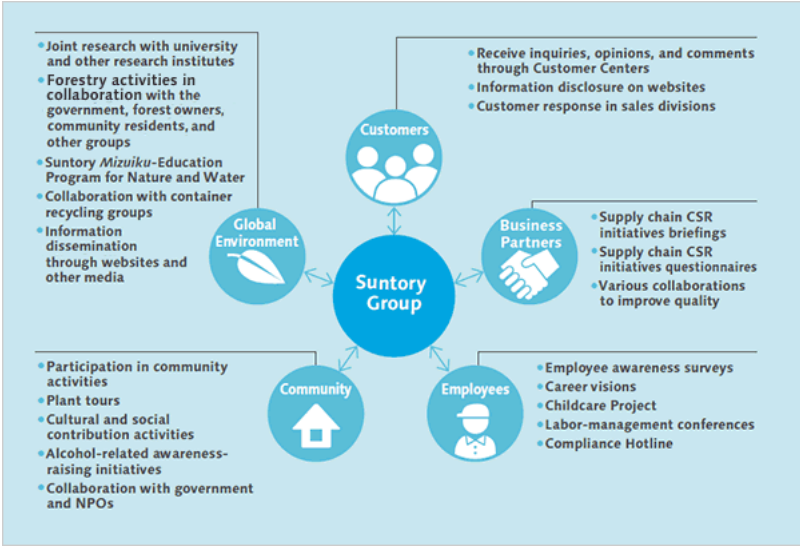
The Global Sustainability Committee (GSC) acts as an advisory committee to the Board of Directors for sustainability management. The GSC discusses the Group's sustainability strategies and confirms progress on priority themes (water, climate change, raw ingredients, containers and packaging, health and human rights) under the direction of the Chief Sustainability Officer. Progress on environmental and social activities as well as business risks and opportunities are reported to the Board of Directors on a quarterly basis. In addition, the Board of Directors is provided with opportunities to receive advice from third-party experts on sustainability management.

Suntory Group's Environmental Management Promoting Structure



Stakeholder Engagement

We pursue our business activities while engaging with a wide variety of stakeholders. We will make clear our responsibilities to our stakeholders and communicate with them in various ways so that we can continue making contributions to realizing sustainable society. We aim to incorporate feedback we receive and societal needs into our company activities and continuously work to build highly trustworthy and collaborative relationships with stakeholders.



Opportunities for Communication with Stakeholders

➤ For more information on stakeholder dialogue and participation in initiatives, see Dialogue and Evaluation.

Suntory Group's Targets Toward 2030

Targets for Water, Greenhouse Gas (GHG) emissions, and Containers and Packaging

We are engaged in seeking solutions to the wide range of challenges facing the world and are continuing efforts to realize sustainability. In 2019, we established Suntory Group Sustainability Vision, consisting of seven themes, to drive sustainability management across Suntory Group.

Among them, we have set targets toward 2030 for the three environment-related themes of water, GHG, and containers and packaging and are leading pioneering efforts in these areas.

➤ For more information, see [Suntory's Sustainable Management](#)



➤ See [SUNTORY GROUP: OUR TARGETS \(PDF file\)](#)



Targets and Results

Reduction of Water Used in Direct Operation

Targets Toward 2030

Reduce the water intensity*¹ of production at our owned plants*²

by **35%**^{*3} globally.



2023 Progress

Reduced the water intensity of production

by **28%** compared to 2015.

Water Replenishment

Targets Toward 2030

Replenish

more than **100%**

of water used in at least 50% of our owned plants*² globally, including all those in highly water stressed areas, through local water source conservation efforts.



2023 Progress

Water resource cultivation activities implemented in

41%

of all owned plants globally. For the plants located in highly water stressed areas, activities are implemented in 37% of those areas.

Sustainable Water Use in Raw Ingredients

Targets Toward 2030

Collaborate with suppliers to improve water-use efficiency in the production of water-intensive key ingredients*⁴ in highly water stressed areas.



2023 Progress

- As an initiative on barley production through regenerative agriculture, we began working with our malt suppliers to verify the improvement of water use efficiency by improving soil water retention.
- Started building a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.

Water Education and Access to Safe Water

Targets Toward 2030

Expand water education programs and initiatives to provide safe water access for

more than **1 million people.**



2023 Progress

Total

1,070,000 people

Water education program: 710,000 people

Provision of safe water: 360,000 people

*1 Water intensity is the amount of water withdrawn per unit of production, which is 1 kiloliter of production

*2 Owned plants that manufactures finished products and excludes plants for packaging and ingredients

*3 Reduction of water intensity of production based on 2015 baseline year

*4 Coffee, barley, grapes

Water is a Precious Shared Resource and The Most Important Ingredient for Suntory Group

In order to achieve “water sustainability,” the first pillar of our Environmental Policy, we have shared the following philosophy across Suntory Group and are implementing a wide range of initiatives.

Suntory Group’s Sustainable Water Philosophy

1. Understanding the natural cycle of water

We investigate watersheds around our sites to understand the local hydrological cycle, using a scientific approach when needed.

2. Promoting environmentally conscious water use

We reduce the environmental impacts of water use on the natural water cycle by implementing 3R activities and returning water to nature after adequate treatment.

3. Conserving watersheds

We conserve our watersheds and endeavor to improve local water quality and quantity in cooperation with stakeholders for a sustainable future.

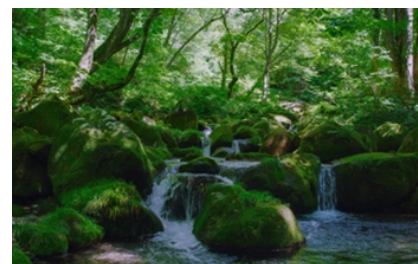
4. Engaging with the local community

We endeavor to support our community by fostering collective actions to solve water issues and enrich society.

Our Initiatives

Suntory Natural Water Sanctuary Initiative Using Science-based Approaches

Suntory Group started the Natural Water Sanctuary Initiative in 2003 for the purposes of improving water resource cultivation and preserving biodiversity. The initiative has now expanded to more than 12,000 hectares in 23 locations in 16 prefectures across Japan and has already recharged twice the amount of water withdrawn by our plants in Japan. With the Suntory Institute for Water Science playing a central role, we collaborate with researchers from various fields to carry out ongoing activities based on science, looking ahead decades or even 100 years into the future. We are now extending this initiative for water resource cultivation to regions around the world.



Suntory Natural Water Sanctuary

➤ For more information, see [Suntory Natural Water Sanctuary](#).

Suntory Mizuiku - Education Program for Nature and Water Designed for The Next Generation

Suntory Mizuiku - Education Program for Nature and Water is a unique program designed for the next generation to think about the importance of forests that nurture groundwater and what they can do to ensure there is water in the future. The program started in Japan in 2004 and began activities outside Japan in 2015, starting in Vietnam. The program has since expanded to Thailand, Indonesia, France, China, and Spain with activities focused on local water issues.



Suntory Mizuiku - Education Program for Nature and Water in Indonesia

➤ For more information, see [Suntory Mizuiku - Education Program for Nature and Water](#).



Targets and Results

GHG emissions

▶ **Targets Toward 2030**
Reduce GHG emissions from our direct operations by
50%^{*1}



▶ **2023 Progress**
24%
reduction compared to 2019

▶ **Targets Toward 2030**
Reduce GHG emissions across our entire value chain by
30%^{*1}



▶ **2023 Progress**
7.8%
reduction compared to 2019

^{*1} Based on emissions in 2019.

Aim for Net Zero Greenhouse Gas Emissions Across the Whole Value Chain by 2050

In our Environmental Vision toward 2050, we aim to achieve net zero greenhouse gas emissions across the whole value chain by 2050. In our Environmental Targets toward 2030, we have set the targets of reducing GHG emissions from our direct operations by 50% and across the whole value chain by 30%. To safeguard the global environment that is essential to our business foundation, we are implementing sustainability management across our entire Group and taking steps to reduce GHG emissions in our direct operations as well as other operations apart from these across the whole value chain.

Our Initiatives

Use of Renewable Energy

Suntory Group uses 100% renewable energy for electric power purchased at all of its alcohol and non-alcohol manufacturing sites and R&D facilities in Japan, the Americas, and Europe. This policy contributes to an annual reduction of approximately 230,000 tons^{*} of GHG emissions. In addition to procured power, we are installing solar panels and introducing biomass boilers to generate renewable energy on site.

^{*} Based on power procured, 2021

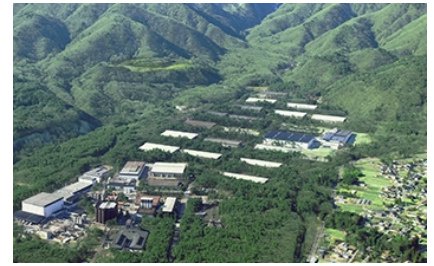


Solar panels at Suntory Kita Alps Shinano-no-Mori Water Plant

Switch to Green Hydrogen with Zero CO₂ emissions

In 2022, we concluded a basic agreement with Yamanashi Prefecture toward realizing environmentally harmonious and sustainable society. Under the agreement, we are aiming to install the 16-megawatt Yamanashi Model Power-to-Gas (P2G) System, one of the largest systems to create green hydrogen in Japan, at the Suntory Minami Alps Hakushu Water Plant and the Suntory Hakushu Distillery by 2025. With the P2G System,

the plants will switch to using green hydrogen as fuel for heat energy . We will also explore utilizing green hydrogen in the surrounding communities together with Yamanashi Prefecture.



Suntory Minami Alps Hakushu Water Plant and Suntory Hakushu Distillery

➤ For more information about our GHG initiatives, see [Climate Action](#).

Containers and Packaging

Related SDGs



Targets and Results

*Sustainable materials in PET bottles by weight (recycled or Bio-based material)

Use of Sustainable Materials in PET Bottles*

▶ Targets Toward 2030

Percentage of PET bottles used globally made of sustainable materials

100%



▶ 2023 Progress

Percentage of PET bottles used globally made of sustainable materials

30%

(53% sustainable materials used in PET bottles in Suntory's soft drink business in Japan)

Make All PET bottles Used in Suntory Group Sustainable by 2030

We have set the targets of switching all PET bottles used in Suntory Group to recycled or bio-based material by 2030, and achieving zero use of virgin petroleum-based materials.

We are conducting activities based on our unique 2R+B (Reduce, Recycle + Bio) strategy to reduce the amount of plastic used by reducing the weight of containers (Reduce), recycling containers for use as a resource (Recycle), and using bio-based material (Bio).

2R+B*

Reduce

Reduce the amount used
Promotes reducing weight of containers as a pioneer of reducing weight of PET bottles

Recycle

Use as resource
Recycling as resources with technologies such as "BtoB" (bottle to bottle).

Bio

Bio-based material
Actively utilize Bio-based resin to avoid using petroleum-based resources

Sustainability
×
Usability

*2R+B is a registered trademark

Our Initiatives

Promoting "Bottle-to-Bottle (B-to-B)" Horizontal Recycling to Create New PET bottles from Used Ones

"Horizontal recycling" is recycling to make the same product as the original one. We developed the Japanese beverage industry's first bottle-to-bottle (B-to-B) horizontal recycling technology to create new PET bottles from used ones in 2011 and put the technology into practical use the following year. Currently, we have adopted the logo mark "Bottles are resources! Towards a Sustainable Bottle" on all PET bottle products in Japan^{*1} to more directly communicate to consumers that PET bottles are a resource that can be recycled multiple times. In 2022, we expanded the percentage of sustainable materials^{*2} we use to 46% of the total weight of PET bottles used in our non-alcoholic beverages business.

*1 Excluding label-less products

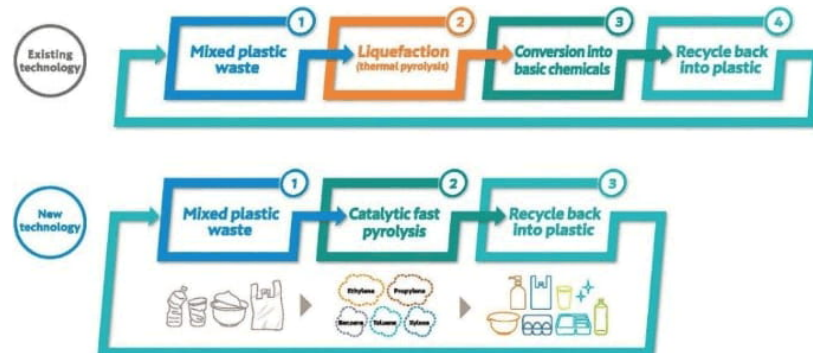
*2 PET bottles using only recycled or bio-based material



R Plus Japan Ltd., A New Company Engaged in Recycling Used Plastics

We have established R Plus Japan Ltd., a new joint venture company engaged in recycling used plastics, aiming to make not only PET bottles but plastics in general a resource that is perpetually recycled to create greater sustainability. R Plus Japan aims to establish recycling technology that requires fewer processes than traditional chemical recycling that creates petrochemical feedstock, leading to reductions in CO₂ emissions and energy needs.

As of April 2023, the number of companies participating in R Plus Japan has expanded to 40, and cross-industry collaboration is advancing efforts for the social implementation of recycling technology.



R Plus Japan is working to develop innovative recycling technology which enables to generate the raw materials of general plastics from used plastics.

> For more information about container and packaging initiatives, see [Packaging & Resource Efficiency](#).

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Environmental Management

▼ Policies and Our Approach

▼ Promoting Structure

▼ Targets and Progress

▼ Our Initiatives

Policies and Our Approach

The circular system consisting from plants and forests nurtured by water, rivers, oceans, atmosphere, and the ecosystem made by living things are the basis of all life.

As a company that delivers the blessings of water and nature to our customers, we believe that protecting beautiful and clean water with healthy ecosystems, using them appropriately, and replenishing to nature is a great responsibility.

Ingraining this concept in every part of the Group, Suntory strives to build a prosperous and sustainable society by preserving and regenerating the natural environment and reducing environmental impact.

Suntory Group's Environmental Principles

Suntory Group sets principles that clearly indicate our prioritized environmental initiatives such as achieving water security, conserving and regenerating biodiverse ecosystems, promoting a circular economy and transitioning to a net zero carbon society (established 1997, revised 2022). To achieve a vibrant global environment, we are championing the transformation to a sustainable society by collaborating with our stakeholders, deepening dialogues with local communities, and transparently disclosing our progress.

Suntory Group's Environmental Principles

At Suntory Group, environmental management is at the core of our business strategy.

In our commitment to cultivating a sustainable and vibrant society now and in the future, these environmental principles inform the actions we take each day across our entire value chain.

1. Achieving water security

Water is the most vital resource for our business. At Suntory, we aim to become net water positive by using water carefully and localizing water stewardship to contribute to nature's healthy water cycle.

2. Conserving and regenerating biodiverse ecosystems

Thriving water and agricultural systems are crucial to our business. We strive to protect and regenerate biodiversity through local water source conservation and sustainable agricultural practices.

3. Promoting a circular economy

To effectively reduce waste and efficiently utilize limited resources, we imbed sustainable principles throughout the lifecycle of our products, promote the 3Rs (reduce, reuse, recycle) for all raw materials, use renewable resources when available, and collaborate with stakeholders to build a fundamentally circular system.

4. Transitioning to a net zero-carbon society

In the face of climate change, we are doing our part to achieve a net-zero carbon society by reducing greenhouse gas emissions across our value chain.

5. Engaging with society

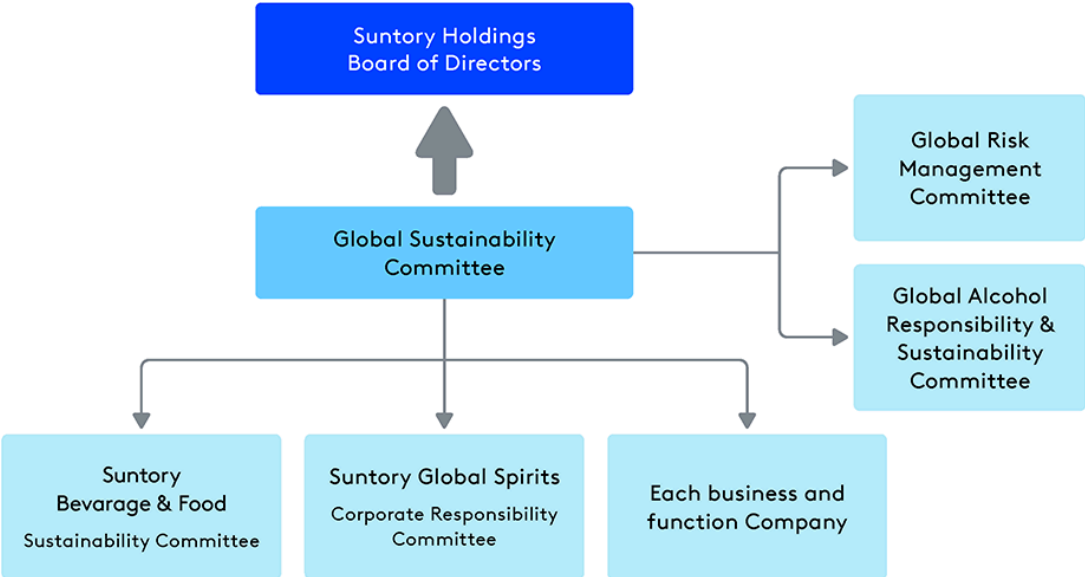
To achieve a vibrant global environment, we are championing the transformation to a sustainable society by collaborating with our stakeholders, deepening dialogues with local communities, and transparently disclosing our progress.

Promoting Structure

Global Sustainability Committee

To promote sustainability management, the Global Sustainability Committee (GSC) acts as an advisory committee to the Board of Directors. The Group's sustainability strategies and the progress on priority themes (water, climate change, containers and packaging, raw ingredients, health, human rights and enriching life) are discussed in the GSC under the lead of the Chief Sustainability Officer. The progress of environmental and social activities as well as business risks and opportunities are reported to the Board of Directors on a quarterly basis. In addition, the Board of Directors are provided with the opportunities to hear advices from the third party experts on sustainability management.

Suntory Group's Environmental Management Promoting Structure



Targets and Progress

Suntory Group established the Environmental Vision toward 2050 and Environmental Targets toward 2030 to provide clear direction to our environmental management. As we engage in greater efforts to address global issues and work toward the realization of a sustainable society, we revised the greenhouse gas (GHG) emissions reduction targets in the Environmental Targets toward 2030 in April 2021, and revised our water targets in December 2021.

Environmental Vision toward 2050



Water Sustainability

- Reduce the water intensity of production at our owned plants*¹ by **50%***² globally.
- Replenish more than 100% of water used at all of our owned plants globally through conservation of the surrounding ecosystem.
- Achieve sustainable water use for all key ingredients.
- Share the Sustainable Water Philosophy to the communities where our business operates.



Climate Change Measures

- Aim for net **zero** greenhouse gas emissions across the whole value chain by 2050

Continue to promote energy conservation, proactively implement renewable energy solutions, utilize next-generation infrastructure options and work together with stakeholders across the value chain in order to contribute to realizing a decarbonized society



Environmental Targets toward 2030



Reduction of water used in direct operation

Reduce the water intensity of production at our owned plants*¹ by **35%***² globally. In addition, explore reduction of absolute amount of water withdrawn in highly water stressed areas.



Water replenishment

Replenish more than **100%** of water used in at least 50% of our owned plants*¹ globally, including all those in highly water stressed areas, through local water source conservation efforts.



Sustainable water use in raw ingredients

Collaborate with suppliers to improve water-use efficiency in the production of water-intensive key ingredients*³ in highly water stressed areas.



Water education and access to safe water

Expand water education programs and initiatives to provide safe water access for more than **1 million people**.

Greenhouse gas (GHG)

- Reduce GHG emissions from our direct operations by **50%***⁴
- Reduce GHG emissions across our entire value chain by **30%***⁴



*1 Suntory Group plants that manufactures finished products

*2 Reduction per unit production based on the business fields in 2015

*3 Coffee, barley, grapes

*4 Based on emissions in 2019



Water Sustainability

Reduction of water used in direct operation

- Reduced the water intensity of production by **28%** compared to 2015.

Water replenishment

- Water resource cultivation activities implemented in **41%** of all owned plants globally.

Sustainable water use in raw ingredients

- As an initiative on barley production through regenerative agriculture, we began working with our malt suppliers to verify the improvement of water use efficiency by improving soil water retention.
- Started building a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.

Water education and access to safe water

- Total **1,070,000** people
Water education program: **710,000** people
Provision of safe water: **360,000** people



Climate Change Measures

Greenhouse gas (GHG)

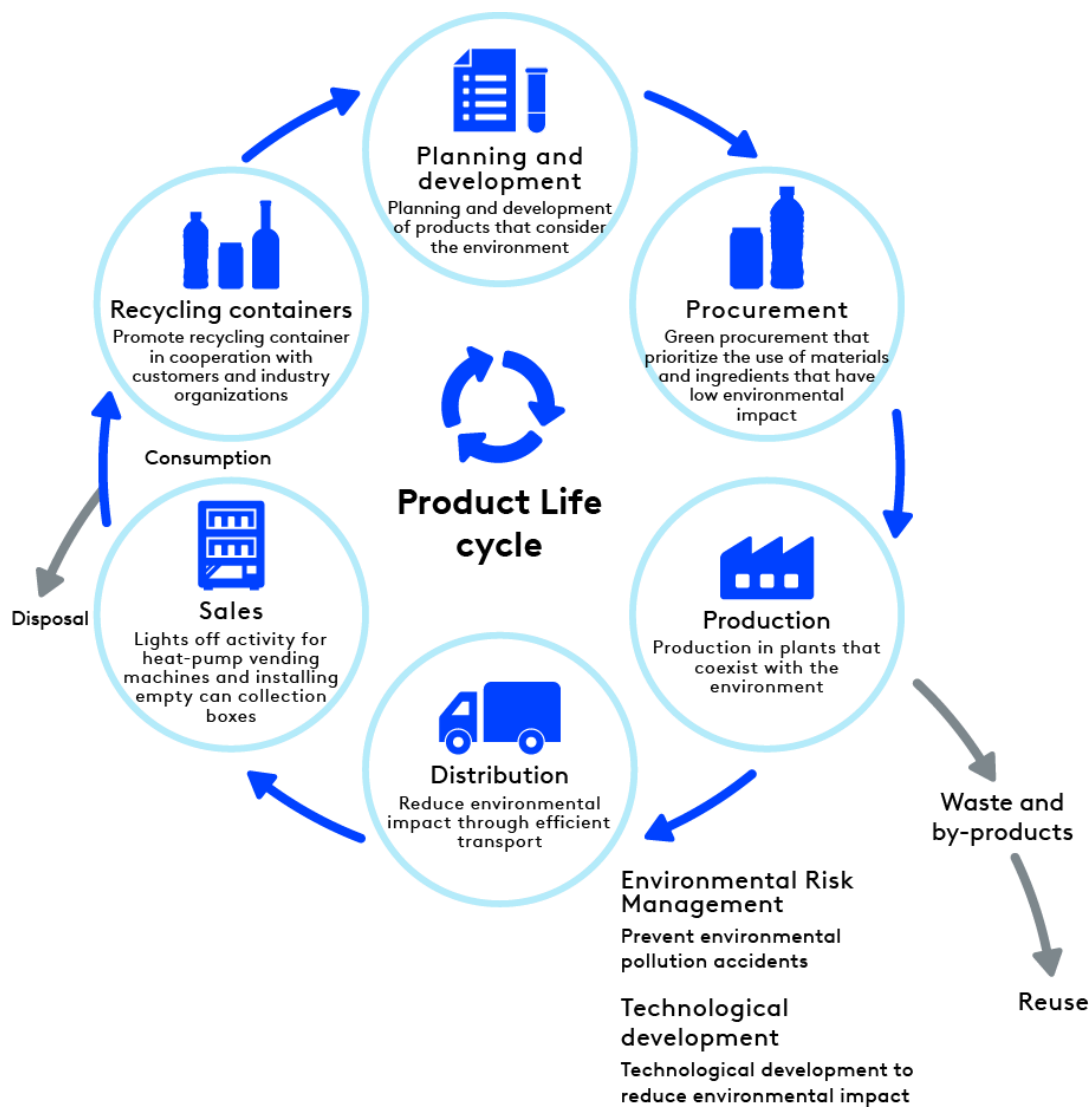
- Direct operations
24% reduction compared to 2019
- **7.8%** reduction compared to 2019

Our Initiatives

Reducing Environmental Impact in the Entire Product Life Cycle

Suntory Group generates various by-products and waste from a wide range of business activities. We are committed to reducing environmental impact by quantitatively understanding our impact on the planet throughout a product's life cycle - from planning and development to disposal and recycling.

In addition, following the expansion of business overseas, we assess the environmental impact of overseas production sites to determine the environmental impact on a global scale. Suntory Group actively communicates with the suppliers throughout the entire supply chain.



Compliance with environmental laws and regulations

In addition to complying with environmental laws and regulations (such as the Act on Promotion of Global Warming Countermeasures and the Energy Conservation Act in Japan), each Suntory Group plant is committed to environmental management by setting voluntary standards for wastewater treatment, boiler facilities and other environmental facilities that are equal to or more stringent than those set by laws and regulations.

In 2023, no serious accidents or violations affecting environmental pollution occurred.

Group-wide promotion of ISO 14001 Certification

We have actively advanced the acquisition of the international ISO14001 certification standard at each Group company as one method to continually evolve by integrating business and environmental activities. With the completion in acquiring the integrated certification and the start of operations at Group companies* in Japan, we are working to enhance management to abide by laws at sites with a low environmental burden and conduct even more efficient environmental management with these sites as targets from 2017. We are in the process of obtaining certifications at overseas Group companies with focus on our production sites. We are approximately 70% complete in certifying overseas Group company production sites as of 2023.

We are enhancing the links between each department involved with the value change of businesses at each Suntory Group company to promote business activities from environmental perspectives in all stages from the procurement of ingredients to disposal.

* Group companies complying to the Japanese SOX Act

[Suntory Group ISO 14001 Certification List](#)

Promoting Environmental Education in the Group

We promote environmental education to raise employees' environmental awareness. We implemented various environmental education initiatives including e-learning for all Group employees in Japan and sharing information on the Intranet. In addition, we regularly hold workshops and seminars to learn specific skills that are required in each operation. We also have started online program on sustainability management that can be taken by all Group employees globally.



Seminar on managing Wastes Disposal and Public Cleansing Act

[For details, please see the Data List.](#)

First Hand Experience with Forestry at Suntory Natural Water Sanctuary

We are advancing employee forestry volunteer activity at Suntory Natural Water Sanctuaries. Many employees and their families have participated until 2013.

From 2014, the program was conducted with an aim to deepen understanding of corporate philosophy and approximately 8,000 employees in alcoholic and non-alcoholic businesses have participated so far. The program is continuing as a part of new employee on-board programs.



Forestry Maintenance Training for Employees

Promoting Environmental Action on the Intranet and Internal Magazine

We are sharing basic environmental information, environmental laws and ordinances related to our business, internal guidelines and other materials on the intranet. We are also raising awareness in our employees and encouraging action through e-learnings and sharing information on sustainability portal site.

The internal magazine MADO and the e-MADO published on our intranet play a role in presenting the latest environmental activities and information of Suntory Group to enlighten not only employees but also their families.

Green Bonds

Suntory Group has formulated the Sustainable Finance Framework as a sustainability finance initiative aiming to achieve a decarbonized society and reduce water consumption. Based on this Sustainable Finance Framework, Suntory Holdings Limited plans to issue green bonds that will use the proceeds for businesses that contribute to solving environmental issues among SDGs bonds.

[For details, please see the Green Bonds.](#)

Suntory Group ISO 14001 Certification List (as of the end of 2023)

Japan

- Suntory Holdings Limited
- Suntory Business Systems Limited

Non-alcoholic Beverages and Food

- Suntory Beverage & Food Limited
- Suntory Products Limited
- Suntory Products Ltd. Haruna Plant
- Suntory Products Ltd. Hanyu Plant
- Suntory Products Ltd. Tamagawa Plant
- Suntory Products Ltd. Kanagawa Ayase Plant
- Suntory Products Ltd. Suntory Tennensui Minami Alps Hakushu Plant
- Suntory Products Ltd. Kisogawa Plant
- Suntory Products Ltd. Suntory Tennensui Kita Alps Shinano-no-Mori Water Plant
- Suntory Products Ltd. Ujigawa Plant
- Suntory Products Ltd. Takasago Plant
- Suntory Products Ltd. Suntory Okudaisen Bunanomori Water Plant
- Suntory Wellness Limited
- Suntory Coffee Roastery LTD. Oyama Atsugi Plant
- Suntory Coffee Roastery LTD. Ebina Plant

Alcohol Beverages

- Suntory Spirits Limited
- Suntory Spirits Ltd. Hakushu Distillery
- Suntory Spirits Ltd. Yamazaki Distillery
- Suntory Spirits Ltd. Ohmi Aging Cellar
- Suntory Spirits Ltd. Tochigi Azusanomori Plant
- Suntory Spirits Ltd. Osaka Plant
- Suntory Spirits Ltd. Gunma Brewery
- Suntory Spirits Ltd. Tokyo Musashino Brewery
- Suntory Spirits Ltd. Kyoto Brewery
- Suntory Spirits Ltd. Kumamoto Aso Brewery
- Suntory Spirits Ltd. Tominooka Winery
- Suntory Spirits Ltd. Shiojiri Winery
- SUNTORY CHITA DISTILLERY LIMITED
- Iwanohara Vineyard Co., Ltd.
- Suntory Malting LTD.
- OSUMISYUZO LIMITED

Sales and Marketing

- OKINAWA SUNTORY LIMITED
- Suntory Foods Ltd.
- Suntory Beverage Solution Ltd.
- Suntory Foods Okinawa Ltd.
- Japan Beverage Ecology Inc.
- Suntory Field Expert Company Limited
- Sunvend Co., Ltd.

- Harata Vending Service Limited
- KAGAWA PEPSI COLA SALES LIMITED.

Research and Development Center

- Suntory World Research Center
- Suntory Products Development Center

Food Service

- DYNAC HOLDINGS CORPORATION
- DYNAC CORPORATION
- DYNAC PARTNERS CORPORATION
- PRONTO CORPORATION

Maintaining Vending Machines, Etc.

- UNION TRUST Co., Ltd.

Overseas

Non-alcoholic Beverages and Food

Suntory Beverage & Food Europe

- Suntory Beverage & Food France Meyzieu (France)
- Suntory Beverage & Food France La courneuve (France)
- Suntory Beverage & Food France Gadagne (France)
- Suntory Beverage & Food France Donnery (France)
- Suntory Beverage & Food Spain Tordera (Spain)
- Suntory Beverage & Food Spain Carcagente (Spain)
- Suntory Beverage & Food Spain Toledo (Spain)
- Suntory Beverage & Food Spain Sevilla (Spain)
- Suntory Beverage & Food Great Britain and Ireland Coleford (U.K)

Suntory Beverage & Food Asia Pacific

- Suntory Beverage & Food Thailand Leam Chabang (Thailand)
- Suntory Beverage & Food Thailand Pin Thong (Thailand)
- Suntory Beverage & Food Taiwan Taichung (Taiwan)
- Suntory Beverage & Food Malaysia Shah Alam (Malaysia)
- International Refreshment Singapore Pte. Ltd. (Singapore)
- Suntory PepsiCo Vietnam Beverage Bac Ninh (Vietnam)
- Suntory PepsiCo Vietnam Beverage Quang Nam (Vietnam)
- Suntory PepsiCo Vietnam Beverage Dong Nai (Vietnam)
- Suntory PepsiCo Vietnam Beverage Hoc Mon (Vietnam)
- Suntory PepsiCo Vietnam Beverage Can Tho (Vietnam)
- Suntory PepsiCo Beverage Thailand Rayong (Thailand)
- Suntory PepsiCo Beverage Thailand Saraburi (Thailand)
- Suntory Beverage & Food New Zealand Wiri (New Zealand)

Alcohol Beverages

Suntory Global Spirits Inc.

- Frankfort (USA)
- Clermont (USA)

- Booker Noe (USA)
- Maker's Mark (USA)
- Calgary (Canada)
- Sauza (Mexico)
- Behror (India)
- Courvoisier-D (France)
- Courvoisier-F (France)
- Cooley (Ireland)
- Palazuelos (Spain)
- Valverde (Spain)
- Ardmore (U.K.)
- Auchentoshan (U.K.)
- Bowmore (U.K.)
- Glen Garioch (U.K.)
- Laphroaig (U.K.)
- Springburn (U.K.)
- Cruzan (Virgin Islands,U.S.)

Suntory Wine International Limited

- Chateau Lagrange (France)

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Green Bonds

Suntory Group's Sustainability Initiatives

Suntory's history began in 1899 when Torii Shinjiro opened Torii Shoten in Osaka City. He held an untiring "Yatte Minahare" spirit, with a belief in "Giving Back to Society" as a Company. These two management philosophies have been continuously handed down from generation to generation within Suntory since its foundation more than 120 years ago.

In the 2000s, with increased recognition of global climate change and other common issues around the world, the Company launched several key initiatives. In 2003, the Natural Water Sanctuary Project was launched, and in 2004, the next-generation environmental education program, "Mizu-iku", aiming at coexistence with water and natural environments cultivating water resources.

Since then, under the Group's promise of "Mizu To Ikiru" (Sustained by Nature and Water), to its customers and society, the Suntory Group has been engaged in environmental activities with a long-term perspective. In 2019, we formulated the Suntory Group Sustainability Vision to promote group-wide activities to solve common global sustainability issues.

Under Suntory's Environmental Vision toward 2050, we aim to reduce water usage at our plants worldwide by 50%^{*1} and achieve net-zero greenhouse gas (GHG) emissions across the entire value chain. Suntory's Environmental Target toward 2030, will assist in achieving this by obtaining SBT certification, reducing water usage at our plants by 35%^{*1} globally, reducing GHG emissions at our sites by 50%^{*2}, and reducing GHG emissions across the entire value chain by 30%^{*2}. Against this backdrop, Suntory has formulated the Sustainable Finance Framework as a sustainability finance initiative aiming to achieve a decarbonized society and reduce water consumption. This is the first framework in Japan that incorporates targets for reducing water consumption, and we will further promote our sustainability initiatives in the future.

*1 Reduction per unit production based on the business fields in 2015

*2 2019 emissions as base line

Sustainable Finance Framework

Suntory Holdings Limited has developed its Sustainable Finance Framework as described below based on the following relevant principles, etc.* for funding through Sustainable Finance.

The Company plans to raise funds through sustainable finance under the Framework after the establishment of the Framework.

The financing methods available under the Framework include Green bonds, Green loans, Sustainability-linked bonds and Sustainability-linked loans.



[Suntory Sustainable Finance Framework \(Overview\)](#) 

[Suntory Sustainable Finance Framework](#) 

* Principles/Guidelines

- Green Bond Principles (GBP) 2021 (International Capital Market Association (ICMA))
- Green Loan Principles 2023 (Loan Market Association (LMA), etc.)
- Green Bond Guidelines 2022 (The Ministry of the Environment of Japan)

- Green Loan Guidelines 2022 (The Ministry of the Environment of Japan)
- Sustainability-Linked Bond Principles 2023 (ICMA)
- Sustainability-Linked Loan Principles 2023 (LMA, etc.)
- Sustainability-Linked Bond Guidelines 2022 (The Ministry of the Environment of Japan)
- Sustainability-Linked Loan Guidelines 2022 (The Ministry of the Environment of Japan)

Second Party Opinion

Suntory Holdings Limited received a Second Party Opinion from Moody's to ensure transparency and alignment with relevant principles and to attract more investors.

[Moody's Second Party Opinion](#) 

Green Bonds Overview

Green Bonds (Unsecured Corporate Bonds No.13)



Name of the Bond	Suntory Holdings Limited 13th Publicly-offered Corporate Bonds (Green bond with specific inter-bond pari passu clause)
Issue Amount	20 Billion Yen
Term	5-years
Coupon	0.628%
Issue Date / Maturity Date	November 24, 2023 / November 24, 2028
Interest Payment Date	May 24 and November 24 each year
Ratings	AA (Japan Credit Rating Agency, Ltd.)
Use of Proceeds	<ul style="list-style-type: none"> • Energy efficiency <ul style="list-style-type: none"> - Capital investment contributing to energy-saving at the plants we own • Renewable energy <ul style="list-style-type: none"> - Costs for procurement of green hydrogen - Capital investment for the construction of biogas refining facilities, biomass heat supply facilities or biomass power generation facilities through wastewater treatment - Costs for procurement of electricity generated from renewable energy (purchase of renewable energy certificates)
Lead Managers	Mizuho Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co.,Ltd., BofA Securities Japan Co., Ltd.
Structuring Agent*	Mizuho Securities Co., Ltd.

* A securities company that supports the implementation of sustainable finance, including the issuance of green bonds, through the development of a sustainable finance framework and advice on obtaining second-party opinions.

Green Bonds (Unsecured Corporate Bonds No.13) Report (As of December 31, 2023)

Suntory Holdings Limited allocated 8.44 Billion Yen to projects which fulfill eligibility criteria from 20 Billion Yen Suntory Holdings Limited 13th Publicly-offered Corporate Bonds (Green Bonds with specific inter-bond pari passu clause) issued on November 24, 2023.

11.56 Billion Yen of unallocated funds will be allocated by 2025.

Eligibility Criteria	Allocated Amount	Impact Reporting
<p>Capital investment contributing to energy-saving at the plants we own - Adoption of best available technologies as of the installation of facilities</p> 	<p>JPY7,700MM (Refinance : JPY7,700MM)</p>	<p>Reduction in GHG emissions : 3,510t-CO₂e^{*1}</p>
<p>Costs for procurement of green hydrogen</p> 	<p>JPY0MM To be allocated in 2025</p>	<p>—</p>
<p>Capital investment for the construction of biogas refining facilities, biomass heat supply facilities or biomass power generation facilities through wastewater treatment</p>	<p>JPY590MM (Refinance : JPY590MM)</p>	<p>Reduction in GHG emissions : 2,987t-CO₂e^{*2}</p>
<p>Costs for procurement of electricity generated from renewable energy (purchase of renewable energy certificates)</p>	<p>JPY150MM (Refinance : JPY150MM)</p>	<p>Reduction in GHG emissions : 124,294t-CO₂e^{*3}</p>
<p>Total</p>	<p>JPY8,440MM (Refinance : JPY8,290MM)</p>	<p>Above impacts represent environmental improvement effect for project as a whole</p>

(*1) Latest GHG emissions (or their estimate) × Improvement in energy consumption rate

(*2) Power generation using biogas × GHG emission factor of electricity, Reduction in use of city gas × GHG emission factor of city gas, or GHG emissions with conventional design (gas boilers or coal boilers) – GHG emissions with new design (only methane gas boilers after abolishing coal boilers), etc.

(*3) Power consumption × GHG emission factor of electricity

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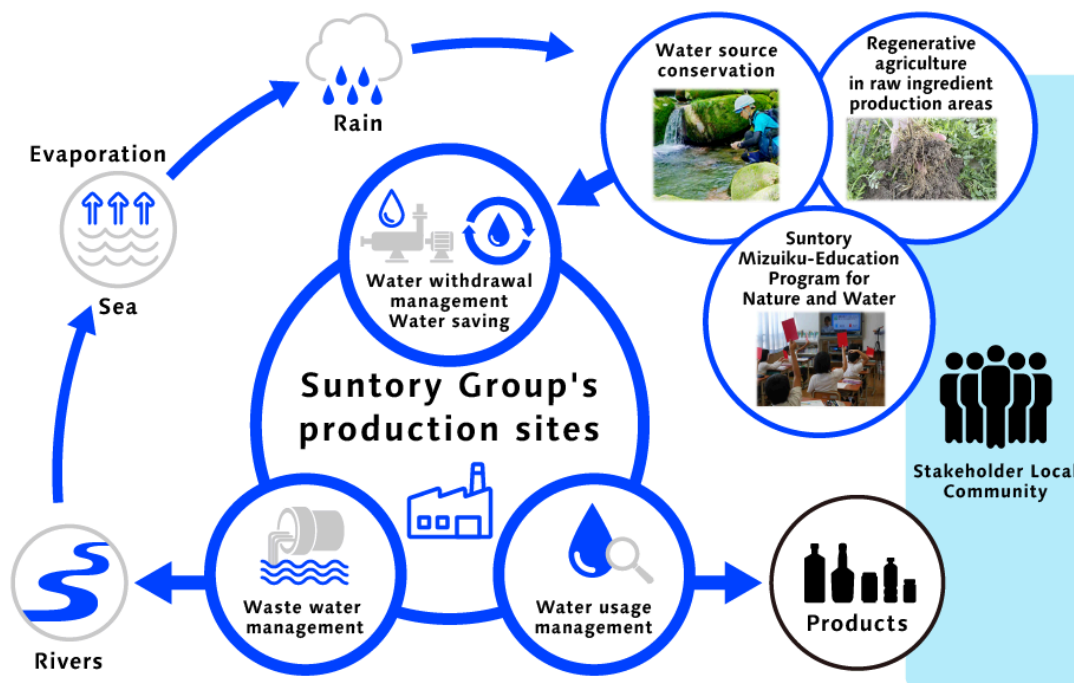
Water Sustainability

- ▼ Policies and Our Approach
- ▼ Promoting Structure
- ▼ Targets and Progress
- ▼ Our Initiatives

Policies and Our Approach

Water is a valuable resource for supporting people's lives and the source of the Suntory Group's corporate activities. Water is a renewable resource and will not disappear from the planet, but only about 0.01% of the planet's freshwater is available for human use. On the other hand, there is a prediction that people may face severe water scarcity in the future due to the increase of global population and climate change; that is to say, approximately five billion people will suffer from water shortages globally by 2050*. The global water scarcity involves numerous issues; in addition to drinking and domestic use, a substantial amount of water is used in food production. We have placed achieving water sustainability as the priority of the Suntory Group's Environmental Principles to promote various initiatives.

* World Meteorological Organization (WMO) "The State of Climate Services 2021"



➤ For more information on the Basic Environmental Policy, Environmental Vision 2050, and Environmental Target 2030, see [Environmental Management](#).

Sustainable Water Philosophy

As a company that depends on and benefits from the water and as a company that operates globally, the Suntory Group must contribute towards a sustainable society by taking an honest look at the world's water challenges. Based on our Basic Environmental Principle, we have formulated the Suntory Group Sustainable Water Philosophy to develop initiatives that contribute to solving water issues in each world region of the world. Based on this philosophy, we are developing and promoting initiatives that are tailored to the conditions for water resources in each area of the world where we do business.

Suntory Group's Sustainable Water Philosophy (Established 2017)

Water is the most important ingredient of our products, as well as a precious shared resource. In order to achieve "water sustainability," the first pillar of the Suntory Group's Environmental Policy, we want to share these values with all Suntory Group members and apply them where we operate in order to answer to our stakeholders' expectations.

1. Understanding the natural cycle of water
We investigate watersheds around our sites to understand the local hydrological cycle, using a scientific approach when needed.
2. Promoting environmentally conscious water use
We reduce the environmental impacts of water use on the natural water cycle by implementing 3R activities and returning water to nature after adequate treatment.
3. Conserving watersheds
We conserve our watersheds and endeavor to improve local water quality and quantity in cooperation with stakeholders for a sustainable future.
4. Engaging with the local community
We endeavor to support our community by fostering collective actions to solve water issues and enrich society.

Promoting Structure

Global Sustainability Committee

To promote sustainability management, the Global Sustainability Committee (GSC) acts as an advisory committee to the Board of Directors. The Group's sustainability strategies and the progress on priority themes (water, climate change, containers and packaging, raw ingredients, health, human rights and enriching life) are discussed in the GSC under the lead of the Chief Sustainability Officer.

➤ [For more information on the Global Sustainability Committee, see Environmental Management.](#)

Targets and Progress

Environmental Vision toward 2050







Water Sustainability

- Reduce the water intensity of production at our owned plants*¹ by **50%*²** globally.
- Replenish more than 100% of water used at all of our owned plants globally through conservation of the surrounding ecosystem.
- Achieve sustainable water use for all key ingredients.
- Share the Sustainable Water Philosophy to the communities where our business operates.



theme	Environmental Targets toward 2030	2023 Progress

<p>Reduction of water used in direct operation</p> 	<p>Reduce the water intensity of production at our owned plants*¹ by 35%*² globally. In addition, explore reduction of absolute amount of water withdrawn in highly water stressed areas</p>	<ul style="list-style-type: none"> Reduced the water intensity of production by 28% compared to 2015. Initiatives to reduce the amount of water used in direct operation
<p>Water replenishment</p> 	<p>Replenish more than 100% of water used in at least 50% of our owned plants*¹ globally, including all those in highly water stressed areas, through local water source conservation efforts.</p>	<ul style="list-style-type: none"> Water resource cultivation activities implemented in 41% of all owned plants globally. For the plants located in highly water stressed areas, activities are implemented in 37% of those areas. Initiatives at the Water Source
<p>Sustainable water use in raw ingredients</p> 	<p>Collaborate with suppliers to improve water-use efficiency in the production of water-intensive key ingredients*³ in highly water stressed areas.</p>	<ul style="list-style-type: none"> As an initiative on barley production through regenerative agriculture, we began working with our malt suppliers to verify the improvement of water use efficiency by improving soil water retention. Started building a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil. Raw Ingredient Production-related Initiatives
<p>Water education and access to safe water</p> 	<p>Expand water education programs and initiatives to provide safe water access for more than 1 million people.</p>	<ul style="list-style-type: none"> Total 1,070,000 people Water education program: 710,000 people Provision of safe water: 360,000 people Initiatives for Water Education

*1 Owned plants that manufactures finished products and excludes plants for packaging and ingredients

*2 Reduction of water intensity of production based on 2015 baseline year

*3 Coffee, barley, grapes

[For more information on water-related achievements, see the List of achievements data.](#)

Our Initiatives

Water Risk Assessment

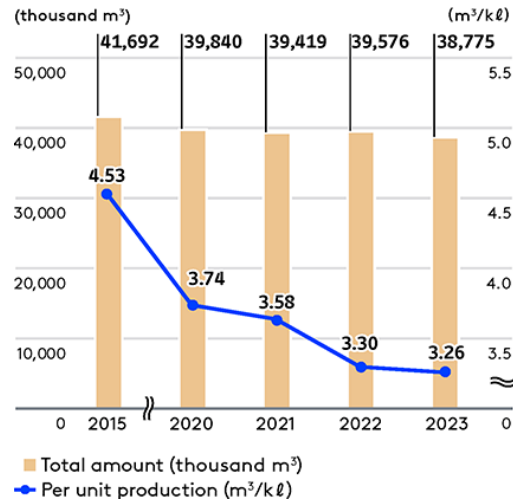
The Suntory Groups has made achieving water security a vital issue in the Suntory Group's Environmental Principles and continues to conduct various water-related assessments at Suntory Institute for Water Science which was established in 2003. We conducted risk assessment of water sustainability at our direct operation sites* for sustainable business activities. We also consider water risk assessment when developing new businesses.

* Suntory Group plants that manufacture finished products: 23 plants in Japan, 54 plants overseas

[For more information, see Water Risk Assessment.](#)

Initiatives to Reduce the Amount of Water Used in Direct Operation

Trends in Water Withdrawal and Water Intensity of Production (Whole Group)



*Per unit production is the amount of usage per kiloliter produced

*2023 data covers 27 production plants in Japan and 62 production plants overseas.

Effective Use of Water Resources

The Suntory Group's plants use a large amount of water, for example, in cleaning production equipment and cooling, in addition to using it as an ingredient in our products. In order to conserve limited water resources, we intensify our activities to achieve targets toward 2030 of "Reduce water consumption at the Suntory Group plants worldwide by 35%*" through enforcement of 3Rs for water, ensuring that the minimum amount of water is required (Reduce), water can be used repeatedly (Reuse), and water can be processed and used elsewhere (Recycle).

* Reduction water intensity based on the business fields in 2015

A variety of activities related to the 3Rs are being implemented at the Minami Alps Hakushu Water Plant of Suntory Products Ltd. In particular, through advanced "water cascade" recycling process, we are an industry leader in terms of water usage per production unit.



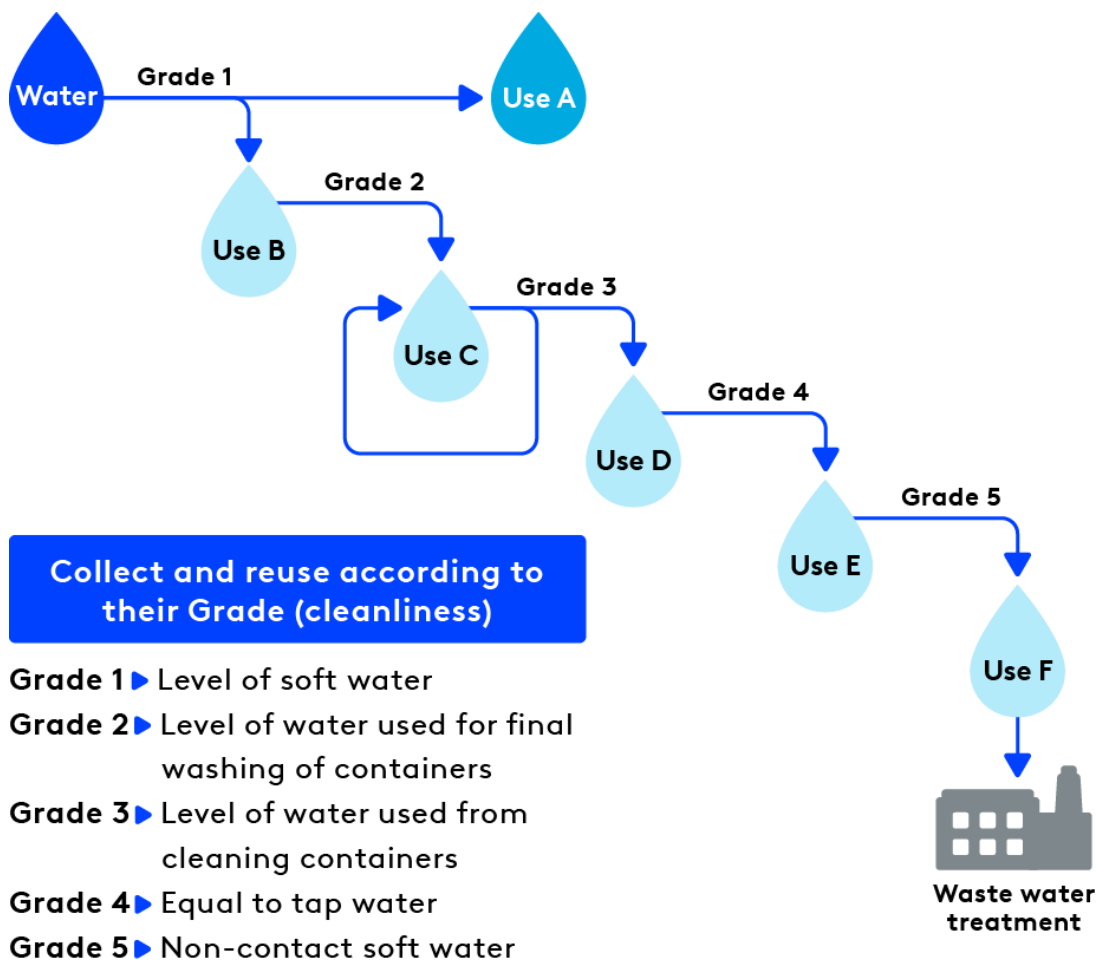
The Minami Alps Hakushu Water Plant of Suntory Products Ltd.



Reuse of water recycled at each stage of cleaning stored in 200-ton tanks

Water Cascade Recycling Process

Water used in the manufacturing process is classified into five grades based on quality, such as coolant water and cleaning water. This is a technology to reuse water in stages, from applications that require a higher grade to those that can be supplied at the next grade.



Strict Wastewater Management

The Suntory Group established voluntary standards for waste water that are equally or stricter than the legal regulations and manages quality so that we may release waste water in a state as close to nature as possible. Waste water from our plants is first purified using anaerobic waste water treatment facilities* and other equipment before it is released into sewers and rivers. Inspectors use measuring equipment to take daily readings of things like water quality under a constant monitoring regime.

* A treatment method that decomposes pollutants using microbes (anaerobic bacteria)



24-hour waste water management system

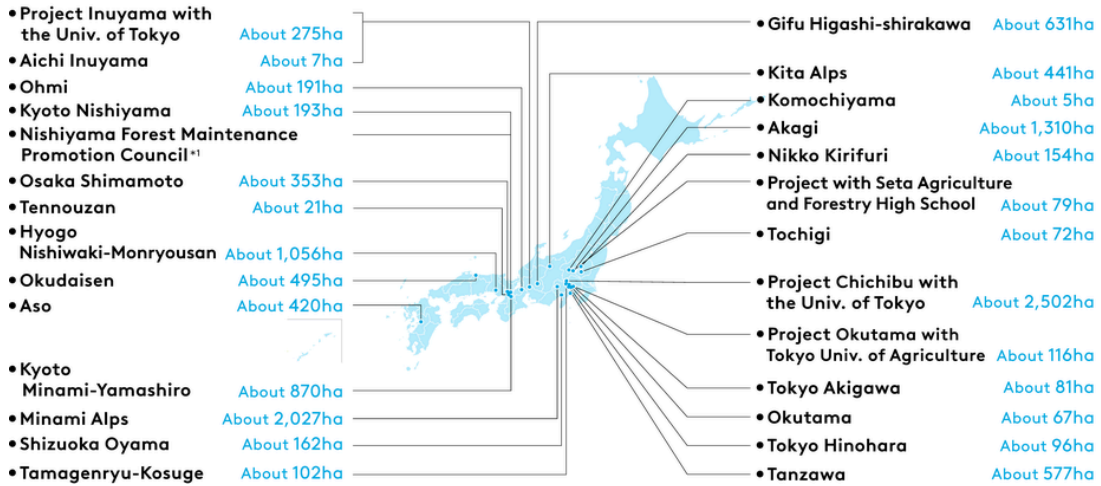
Initiatives at the Water Source

Suntory Natural Water Sanctuary (Water Source Conservation/ Preserving Biodiversity)

The Suntory Group started its Natural Water Sanctuary Initiative in 2003 to improve water resource cultivation and preserving biodiversity. The initiative has now expanded to more than 12,000 hectares in 26 locations in 16 prefectures across Japan, and is recharging twice the volume of water it pumps from underground at its owned plants in Japan. With the Suntory Institute for Water Science playing a central role, we are collaborating with researchers from various fields to carry out ongoing activities based on science, looking ahead decades or even 100 years into the future.

Suntory Natural Water Sanctuary

26 areas nationwide Around **12,000ha** (As of August 2024)



*1 In Nagaokakyo, Kyoto, we are a member of the Nishiyama forestry development promotion committee and we are cooperating in local forest preservation activities with people in the community. The area of the forests subject to this activity is not counted as part of our total Natural Water Sanctuary area.

➤ [For more information, see Suntory Natural Water Sanctuary.](#)

Water Initiatives Worldwide

The Suntory Group practices coexistence with nature in all regions of the world where we do business. We will continue to engage in various initiatives in the future with an aspiration of becoming a global pioneer of water sustainability.

United States of America

We have worked to preserve the natural environment, such as water conservation activities around our distilleries and the improvement of biodiversity in forests, to protect the precious natural resource of water. The Maker's Mark Water Sanctuary Project that began in 2016 planted American white oak trees on 33 acres of Maker's Mark distillery land (approx. 13 hectares) as a water resource cultivation effort. In 2018, new environmental conservation activities also began with the setup of a Natural Water Sanctuary on 15,625 acres of land (approx. 6,300 hectares) in the Bernheim Arboretum and Research Forest, a water resource of the Jim Beam distillery.



Mexico

In Mexico, Casa Sauza has been participating in a collaborative watershed initiative with other beverage manufacturing companies, to restore and protect the Santiago River Basin in the buffer zone of the natural protected area of Cerro Viejo through restoration against the loss of connectivity between forest and the lagoon due to the construction of a highway.

Scotland

In Scotland, the Peatland Water Sanctuary, a large-scale series of peatland restoration and conservation and watershed conservation projects, was launched in 2021. We plan to invest more than \$4 million in the restoration and conservation of 1,300 hectares of peatlands by 2030, enough to produce the amount of peat that Beam Suntory harvests every year in making its Scotch whiskies on an ongoing basis. Through this activity, we will contribute to water quality, water retention function enhancement, and biodiversity conservation. Peatlands also contribute to GHG emission control, thanks to their ability to store carbon.

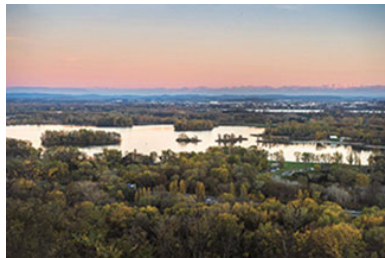


France

In France, Suntory Beverage & Food Europe entered into a 20-year partnership for the conservation of water resources in 2017 with Grand Parc Miribel Jonage, a nature park located next to the Meyzieu Plant. This partnership conducts conservation activities in the forest spanning the Grand Parc Miribel Jonage and supports educational programs for children, in addition to protecting water resources and the natural environment near the plant as well as promoting cultivation activities with the local community.

Spain

In Spain, Suntory Beverage & Food Europe engaged in ecosystem conservation activities with the cooperation of the local community, in the hope of revitalizing the ecosystem in and around the Júcar river near its plant in Carcagente. In addition, together with local universities and specialist institutions, we are conducting a hydrological survey for water source conservation activities in the Tagus River basin, centering on the Guajaraz reservoir, which is the Toledo Plant's water source. In addition, Suntory Beverage & Food Spain, a subsidiary of Suntory Beverage & Food Limited, has concluded an agreement on water source conservation activities with the city of Layos, Toledo, Spain. Beginning in January 2024, with help from local residents as well as experts and researchers in various fields, we initiated "Guardians del Tajo" (Guardians of the Tagus River) activities around the Guajaraz reservoir and the upper reaches of the reservoir, with the aim of improving water quality and biodiversity.



Vietnam

In Vietnam, Suntory Beverage & Food Asia has been contributing to repairs and installations of toilets and washrooms mainly at schools taking part in the Suntory Mizuiku since 2015 to improve the sanitary environment for children.

Thailand

Since 2019, we have been engaged in water resource preservation activities in the northern province of Chiang Mai and the southern province of Nakhon Nayok. Such activities include slowing stream currents to prevent sediment-based erosion, installing small weirs to support permeation of underground water, and planting trees to prevent soil from flowing into streams.

Raw Ingredient Production-related Initiatives

Regenerative agriculture is attracting attention for its potential to mitigate and adapt to climate change by reducing GHG emissions through reduced use of chemical fertilizers and pesticides, as well as restoration of soil biodiversity which boosts soil fertility and effective water use. Suntory Group is promoting regenerative agriculture initiatives, centered on key raw ingredients.

[▶ For more information, see Sustainable Procurement.](#)

Initiatives for Water Education

Suntory Mizuiku — Education Program for Nature and Water

Suntory “Mizuiku” — education program for nature and water started in 2004 in Japan. The program is unique to Suntory and designed for the next generation to realize the beauty of nature and the importance of water and the forests that nurture groundwater. It also inspires students to think about what each of them can do for water sustainability. The program centers on two activities: Outdoor School of Forest and Water and Teaching Program at Schools. It started online in 2020, allowing more people to participate.

Mizuiku is currently deployed in eight Countries. As of December 31, 2023, the cumulative number of participants exceeded 580,000.

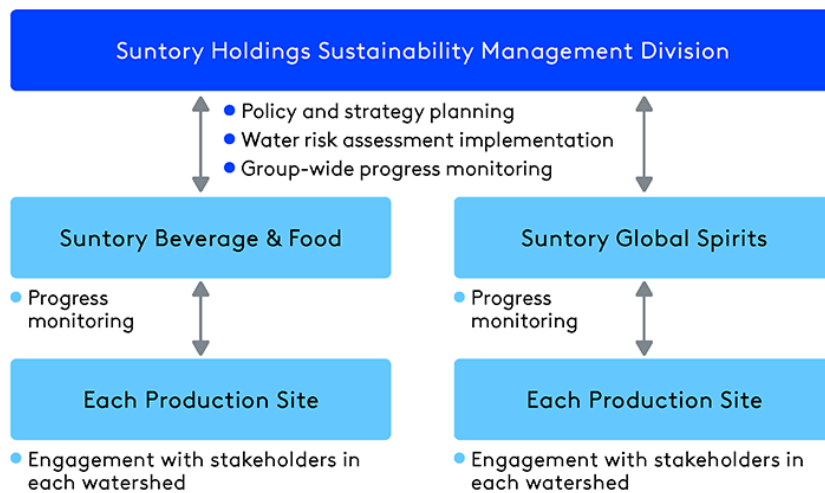
* Mizuiku is a registered trademark of Suntory Holdings Limited.



➤ For more information, see [Suntory Mizuiku — Education Program for Nature and Water](#).

Community Engagement

Suntory Group is aware that it is a member of watershed society and aims to contribute to the development of that society by collaborating closely with stakeholders to conserve water resources. To formulate policies and strategies for Suntory Group as a whole and conduct water risk assessments, the Sustainability Management Division of Suntory Holdings implements annual assessments at each production site, and based on the results, creates regular opportunities with each operating company to monitor progress for the Group overall. At each production site, we work with stakeholders including local government, NGOs, educational institutions, and the local community to address water issues in the local watershed.



Participation in Initiatives

First in Japan to earn the Alliance for Water Stewardship (AWS) Certification

In 2018, the Suntory Okudaisen Bunanomori Water Plant (Tottori Prefecture) became the first Japanese facility to receive AWS certification. The Suntory Kyushu Kumamoto Plant (Kumamoto Prefecture) followed in 2019 and the Suntory Minami Alps Hakushu Water Plant (Yamanashi Prefecture) was also certified in 2021. In 2023, the Suntory Kyushu Kumamoto Plant received Platinum certification, the highest AWS certification level. AWS is an organization founded by corporations and

NGOs, including the World Wide Fund for Nature (WWF) and The Nature Conservancy (TNC), to promote water sustainability on a global scale. AWS has developed certification in sustainable water use for factories around the world, and promotes water conservation and stewardship. In addition, as Japan's sole corporate member of AWS, Suntory Group has signed onto a partnership with the same organization* in February 2021 to contribute its expertise and take a leadership role to promote water stewardship.

* Listed under the current name of the organization. The name at the time of conclusion was AWS Asia Pacific.

[▶ For more information, see **Achieving the AWS Certification for Water Stewardship**.](#)

Endorsing the CEO Water Mandate

Suntory Group endorsed the CEO Water Mandate global platform, which is a United Nations Global Compact initiative to support the prevalence, practice and informational disclosure of water sustainability at companies.



The CEO **Water** Mandate

Water Risk Assessment

Suntory Group, which has made achieving water security a vital issue in Suntory Group's Environmental Principles, continues to conduct various water-related assessments at the Institute for Water Science, established in 2003. We conduct water-related risk assessments for sustainable business activities and use these assessments to promote environmental management. We also consider water risk assessment when developing new businesses.

Water Risk Assessment of Suntory Group's Direct Operation sites

Water is the most vital ingredient for our business, as well as a precious shared resource. As such, Suntory Group must understand the impact on our business, local communities, and the ecosystem based on water risk assessment for sustainable business growth.

Based on this, Suntory Group conducted a risk assessment of water sustainability at direct operation sites^{*}.

* Suntory Group plants that manufacture finished products: 23 plants in Japan, 54 plants overseas

1. Water Stress Situation in Countries where Direct Operation Sites are Located

We identified the water stress situation in countries where direct operation sites are located using Baseline Water Stress, an indicator in the Aqueduct Country Ranking developed by the World Resources Institute. The Aqueduct Country Ranking is a global tool for uniformly assessing the water risk of each country.

Baseline Water Stress	
Extremely high	India
High	Mexico, Spain, Thailand
Medium-high	USA, Germany, Vietnam
Low-medium	Japan, Canada, UK, France, Malaysia, Taiwan
Low	Ireland, New Zealand

* Based on country scores for Baseline Water Stress as used in Aqueduct 4.0 Current and Future Country Rankings by World Resources Institute.

2. Water Risk Assessment in Watersheds where Direct Operation Sites are Located

In addition to assessing the water stress situation in countries where direct operation sites are located, we prioritized the area by determining the water supply risk of all watersheds where they are in to manage the risks. The following is the assessment process and progress of risk management.

Primary Assessment — Prioritization (Screening) of sites based on water stress assessment

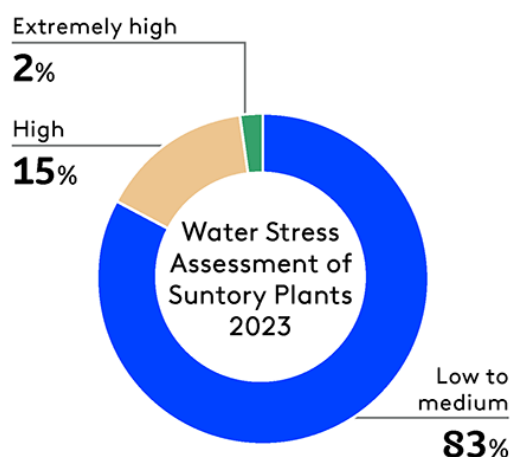
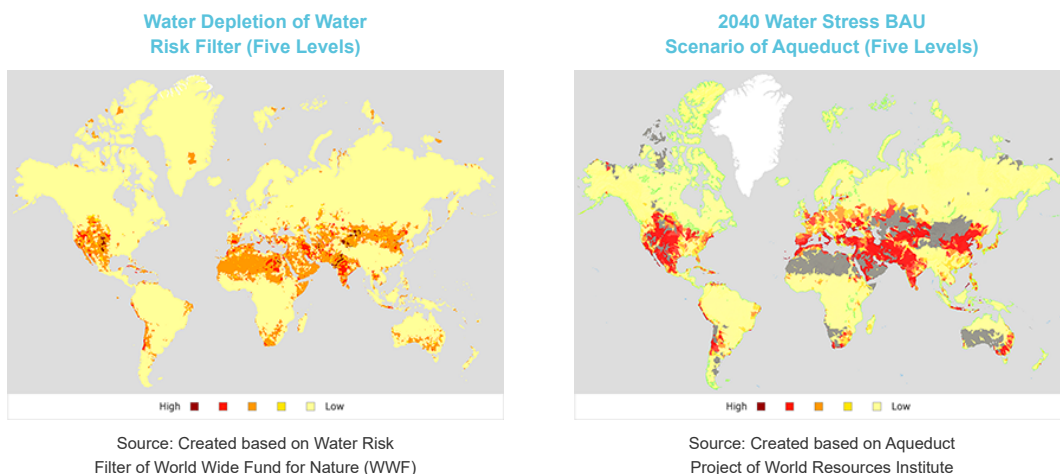
The primary assessment was conducted using a method we developed based on the knowledge acquired during the Science Based Targets (SBT) for Water pilot study program in which we participated in 2021.

As a first step, we identified materiality related to water based on the characteristics of the beverage industry. Through this, we found that the most critical materiality is the water availability in watersheds where direct operation sites are located. We also found that groundwater and surface water are the ecosystem services we depend on most.

Next, we assessed the risks related to water availability in all watersheds where our sites are located to narrow down the plants that need water risk management as a priority. For assessment, in addition to the indicator of the Aqueduct mentioned earlier, we also referred to the Water Risk Filter developed by World Wide Fund for Nature (WWF). From those tools, we adopted four indicators that we can use to assess risks related to water availability. These indicators were used to determine

the water availability based on the ratio between the amount of water supplied to the watershed by precipitation and the amount of water demand in the watershed, estimated based on population statistics. Three of the four indicators assessed “current” water stress levels, such as Water Depletion in the Water Risk Filter. We defined the average score of three indices as the current water risk score. For the remaining indicator, we adopted the 2040 Water Stress of the Aqueduct, which estimates the water availability in 2040 based on climate change scenarios, etc., as “future” water risk score. All indices are scored in five risk levels and we categorized sites in watersheds with average current water risk score of “5: Extremely High” and “4: High” as sites with “Extremely high water-stressed” and sites with future water risk score of four or above as sites with “Highly water-stressed.” The foregoing is based on Aqueduct 3.0 and Water Risk Filter 6.0. Supposing the total water withdrawal by all our plants in 2023 as 100%, 2% were by sites with “Extremely high water-stressed,” and 15% were by sites with “Highly water-stressed.” In the secondary assessment, we have set 17% of the plants as priority plants to prioritize in risk reduction.

* Pilot study to verify methodology related to SBT settings for water by Science Based Targets Network*



Secondary Assessment — Assessing the level of risk reduction measures at each plant

The level of risk reduction measures progress from the perspective of water management (water withdrawal and water-saving) and coexistence with the communities at sites narrowed down in the primary assessment as we assessed priority plants. Since the condition of the water resource is different in each watershed where our sites are located, we conduct measures to reduce risks that correspond with local conditions.

a. Water Management (Water withdrawal and water-saving management)

As water is a precious resource shared with the community and ecosystem, our plants must manage water in a responsibly and appropriately. Our plants water sources fall into two main categories: municipal water and natural water (surface water and/or groundwater). Since municipal water is generally shared with various users in the community, its source area is extensive, and the local water authorities are the primary entity responsible for managing water withdrawal from the source. The plant needs to follow the water supply management policies and plans of the water authorities, including climate change adaptation plans, and promote appropriate water-saving management. On the other hand, if a plant uses natural water as a source, the primary entity responsible for managing water withdrawal is the plant, which has water intake inside the site. Therefore, the plant needs to take the initiative in water withdrawal and water-saving management to adapt to environmental changes such as climate change.

Based on the above points, we have assessed the level of measures progress to manage water withdrawal and water-saving at each plant. We evaluated the following two items:

(1)Water Withdrawal Management

The ability to prove that water withdrawal is managed properly (that water is not excessively withdrawn)

* Plants that use municipal water are not covered as the water authorities manage the water withdrawal

<Assessment Criteria>

- The ability to collect the required water withdrawal data to demonstrate that water withdrawals are not significantly impacting local river and groundwater levels.
- Required water withdrawal data is being collected.

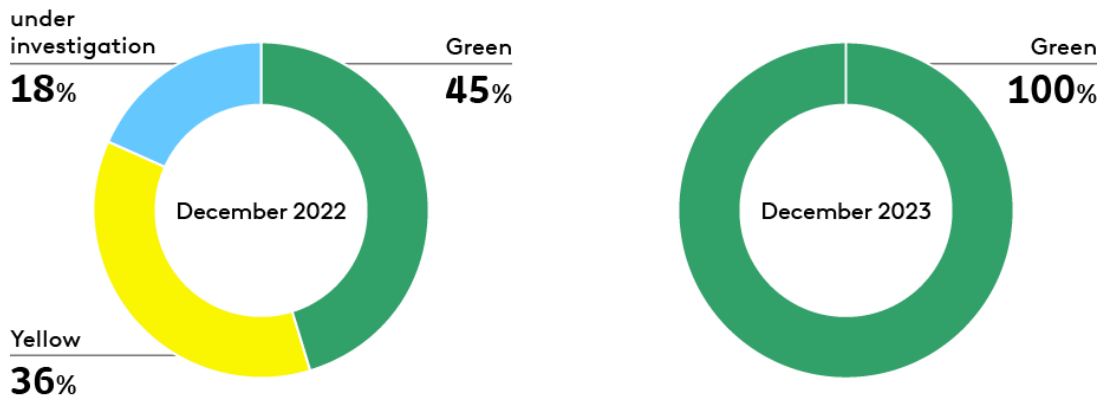
Required water withdrawal data is not collected → Red

Part of the required water withdrawal data is collected → Yellow

All required water withdrawal data is collected, and water withdrawal is appropriately managed → Green

<Assessment Results>

The following is water withdrawal management level of each plant represented as a pie chart. As a result of corrective actions taken at plants with assessed as having insufficient measures of progress, the percentage of plants whose progress level is Green has changed from 45% (December 2022) to 100% (December 2023).



(2)Water Saving Management

The ability to demonstrate that the progress of water saving activities is adequately managed

<Assessment Criteria>

- Target was established to promote efficient use of water.
- Conducting activities to achieve the target yearly.
- Target is achieved yearly.

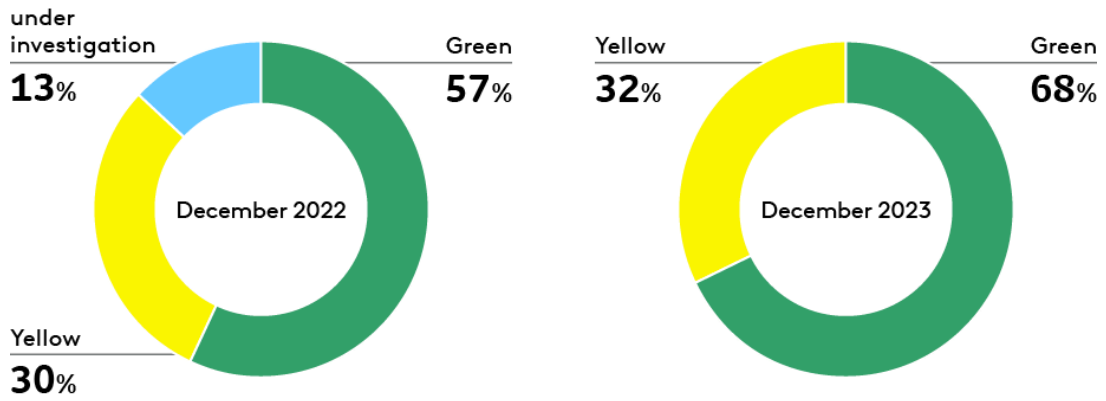
No med-term target for water intensity → Red

No yearly target for water intensity or not achieved → Yellow

The yearly target for water intensity has achieved → Green

<Assessment Results>

The following is the water-saving management level of each plant represented as a pie chart. As a result of setting a medium-term target and conducting water-saving measures to achieve the yearly target, the percentage of plants that have the water-saving management level of Green increased from 57% (December 2022) to 68% (December 2023).



We will continue to conduct measures to reduce risks using this process.

b. Coexistence with the Community

As we are users of water as a shared resource with the community, Suntory recognizes ourselves as a member of the watershed society; we aim to contribute to the development of the watershed society by conserving the water resource in each watershed to work hand-in-hand with the various stakeholders.

Precisely, following the roadmap for water source conservation efforts in the Environmental Targets toward 2030, we are identifying water-related issues in the watershed where our sites are located with local stakeholders. With the agreement of major stakeholders, we then begin conducting measures to conserve the water source area upstream of the site.

Based on the above points, we have assessed the progress of measures to co-exist with the community at each plant.

<Assessment Criteria>

- Have identified issues related to ensuring water sustainability in the watershed.
- Have worked with local stakeholders to implement measures that contribute to resolving the issues.

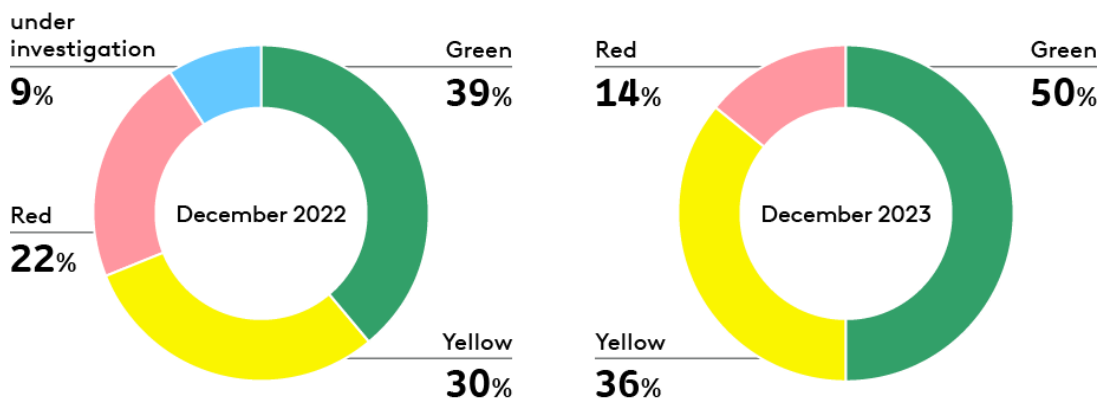
Water-related issues in the watershed are not identified → Red

Water-related issues in the watershed are identified → Yellow

Working with the community to resolve water-related issues in the watershed → Green

<Assessment Results>

The following is the progress of measures related to coexisting with the local community at each plant, represented as a pie chart. As a result of steady efforts at each plant, the proportion of plants reaching the level of Green increased from 39% (December 2022) to 50% (December 2023).



In each area, we identify water-related issues and progress water source conservation efforts with experts such as university professors. At the Behror Plant in India, we have implemented activities to recharge the aquifers, which are the water source, by utilizing reservoirs that can collect rainwater based on a local hydrological survey regarding the water balance of the entire watershed where the plant belongs. In addition, at the Toledo Plant in Spain, we collaborate with a local NGO and a university in researching the ecosystem and conducting hydrological surveys to improve the water quantity and quality as well as to increase the biodiversity of the Guajaraz reservoir in the Tagus River basin through a project called "Guardians del Taho." In November 2023, the company signed an agreement with the City Council of Layos, Toledo for reforestation of approximately two hectares of municipal forest. Activities under the agreement will include reforestation and greening of land adjacent to the right bank of the Layos River from 2023 to 2025, with the aim of increasing biodiversity in the area, as well as

fixing and fertilizing the soil to prevent erosion processes, reducing pollution diffusion, enhancing water infiltration capacity, and capturing atmospheric CO₂. We will continue to follow the roadmap toward 2030 for water source conservation efforts and steadily conduct those activities.

We will also conduct "Mizuiku" - Education Program for Nature and Water at areas we perform these activities to teach the importance of conserving the water source to the local children who will lead the next generation.

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Achieving the AWS Certification for Water Stewardship

First in Japan to earn International Certification for Water Stewardship, the Alliance for Water Stewardship (AWS)

The Suntory Group has achieved the first AWS International Certification in Japan for the Suntory Okudaisen Bunanomori Water Plant (Tottori Prefecture) in 2018, followed by the Kyushu Kumamoto Plant (Kumamoto Prefecture) in 2019, the Minami Alps Hakushu Water Plant (Yamanashi Prefecture) was the third to be certified in 2021, and the Suntory Kyushu Kumamoto Plant has received "Platinum," the highest rating within the Alliance for Water Stewardship (AWS) certification in 2023. This page introduces its significance.

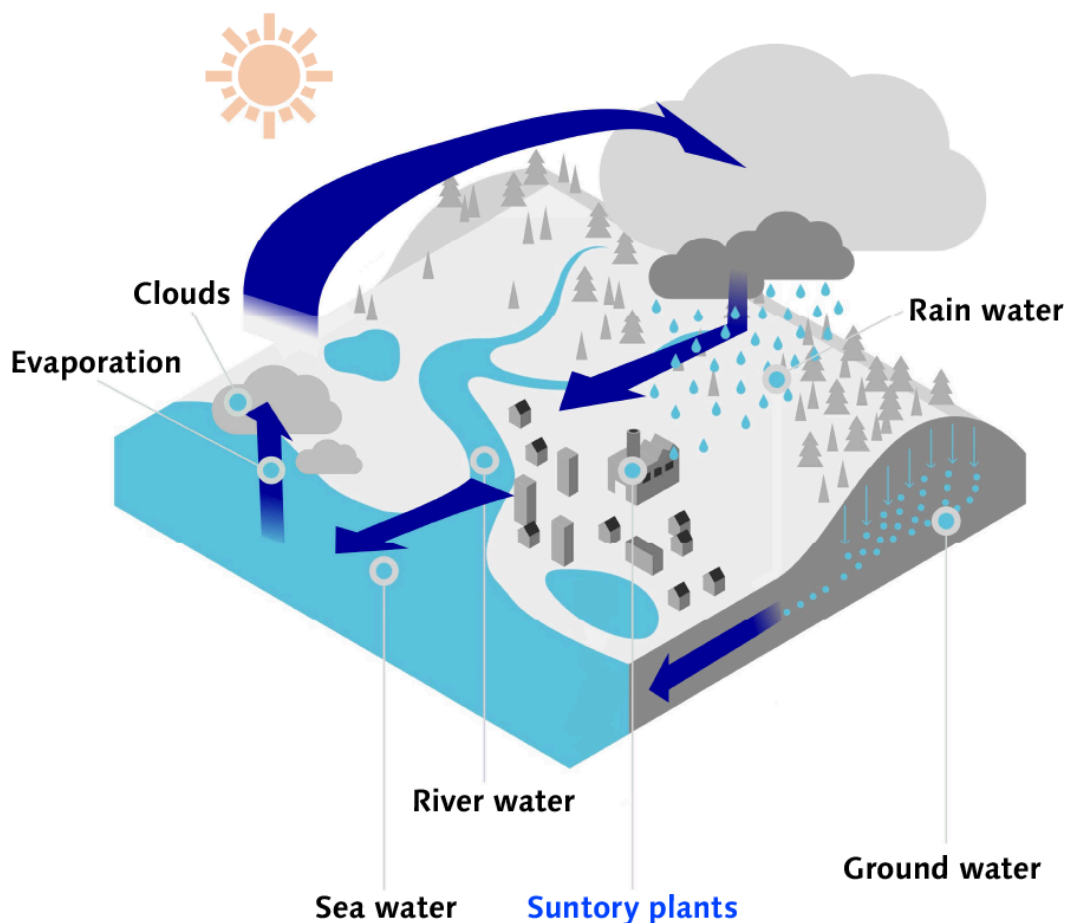


Harumichi Seta
General Manager, Sustainability Management Division
Suntory Holdings Limited

Why Suntory is promoting the AWS

Suntory has been providing new values to people through its products and services to enrich their lives, which is the core of our business. Water is the most critical resource required for us to continue offering value to the customers and the essential resource for local communities and the ecosystem. Furthermore, water is a local resource that circulates depending on the local climate and geographical conditions. Evaporated sea water becomes clouds, rain down to become part of a river or groundwater, and then join larger rivers and back to the sea. This geographical zone is called a catchment. The water we withdraw to produce our products is part of the water cycle, connected to the more significant flow of the catchment like rivers or underground aquifers. Suntory regards itself as a part of the natural water cycle and promotes water stewardship activities in catchments around its plants to preserve the healthy water cycle.

Water Cycle in a Catchment



Water stewardship indicates the responsible management and planning of water resources at the catchment level in collaboration with key stakeholders such as governmental agencies and the local community, in addition to managing water within our own plants. The initiative aims to promote the use of water that is socially and culturally equitable, environmentally sustainable, and economically beneficial throughout the entire catchment. The Suntory Group conduct initiatives to contribute to a healthy water cycle in the watersheds based on the Suntory Group's "Sustainable Water Philosophy," which has four pillars—understanding the natural water cycle, promoting environmentally conscious water use, conserving watersheds, and engaging with the local community. In addition to using water carefully through continuous water-saving activities and wastewater management at plants, the Suntory Group established the Institute for Water Science in 2003 to conduct hydrologic studies and scientifically understand the water cycle in watersheds around our plants. In the same year, the Natural Water Sanctuary Initiative began in the Kyushu Kumamoto Plant to conserve the water source, have now expanded the area to 22 locations totaling about 12,000ha in Japan and achieved the target of recharging more than twice the amount of water withdrawn by our plants in Japan. We continue to realize our vision for the next 50 and 100 years with the support of experts in various fields and residents and to create a forest that nurture groundwater for the watersheds.

Moreover, we conduct the Suntory *Mizuiku*-Education Program for Nature and Water at the Natural Water Sanctuaries and local elementary schools near Tennensui Water Plants and cooperate with local government agencies and the community to monitor the catchments' groundwater level and water resources. Furthermore, we implement forest maintenance and paddy impounding to recharge groundwater and disseminate attractiveness to vitalize local communities under signed partnership agreements with local government agencies. Suntory became the first company to earn the internationally respected standard for water stewardship in Japan, the AWS Certification, to continuously deepen such **integrated water resource management** itself along the "Sustainable Water Philosophy."

Integrated Water Resource Management



About AWS

The Alliance for Water Stewardship (AWS) is an organization globally promoting water sustainability established by NGOs, such as the World Wildlife Fund (WWF), The Nature Conservancy (TNC), and companies. The AWS Certification is an international certificate for sustainable water use targeting plants globally and aims to promote water stewardship.

For the certificate audit of Okudaisen Bunanomori Water Plant, Suntory Kyushu Kumamoto Plant, and The Minami Alps Hakushu Water Plant, the assessment body were highly evaluated our **integrated water resource management**; understanding of the water balance in the catchment around the plants, in line with the Suntory Group's "Sustainable Water Philosophy," water source conservation based on scientific data, water saving and water quality management initiatives at plants, our work with stakeholders, and appropriate disclosure.

About the Partnership Agreement

Suntory Holdings received the request from the AWS to take leadership as a company that leads the promotion of water sustainability in Japan. Endorsing its purpose, we signed a partnership agreement with AWS Asia Pacific in February 2021 followed by signing between Suntory Holdings and AWS International Secretariat in 2023. We also became the first company with AWS membership in Japan.


As the initiatives under the partnership agreement, we supervised the Japanese edition of the AWS International Standards issued in August 2021. We also introduced the certification of the AWS for Suntory Kyushu Kumamoto Plant through a case study, etc., of water source conservation activities by winter paddy impounding at the 4th Asia Pacific Summit held in April 2022, in cooperation with the Water Stewardship Asia Pacific. Suntory will advocate the importance of water resource management by the private sector. In addition, in February 2023, we established the AWS Japan Day Executive Committee with WWF Japan and held Japan's first "AWS Conference - Responsible Management of Water Resources in the Watershed for Businesses," which was attended by numerous Japanese companies, central ministries, local governments, universities, and NGOs. We will continue to lead the networking with stakeholders to promote water stewardship.

Achieving the AWS Certification by Suntory

<First in Japan>

Suntory Okudaisen Bunanomori Water Plant

Achieved the AWS Certification


[AWS Activity Report \(Suntory Okudaisen Bunanomori Water Plant\)](#) 



2019

Suntory Kyushu Kumamoto Plant

Achieved the AWS Certification

[AWS Activity Report \(Suntory Kyushu Kumamoto Plant\)](#) 



2021

<First in Japan>

Signed partnership agreement with AWS Asia Pacific

<First in Japan>

Member of the AWS Supporting Companies

Suntory Minami Alps Hakushu Water Plant

Achieved the AWS Certification

[AWS Activity Report \(Suntory Minami Alps Hakushu Water Plant\)](#) 



2023

<First in Japan>




Suntory Kyushu Kumamoto Plant

Achieved the AWS "Platinum" Certification



We will continue to further engage in AWS activities

AWS Activity Report 2023

- [AWS Activity Report \(Suntory Okudaisen Bunanomori Water Plant\)](#) 
- [AWS Activity Report \(Suntory Kyushu Kumamoto Plant\)](#) 
- [AWS Activity Report \(Suntory Minami Alps Hakushu Water Plant\) SUNTORY](#) 
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Natural Water Sanctuary (Water Resource Cultivation/ Preserving Biodiversity)

Natural Water Sanctuary Initiative -- For the future of water and life

Suntory is a "water" company.

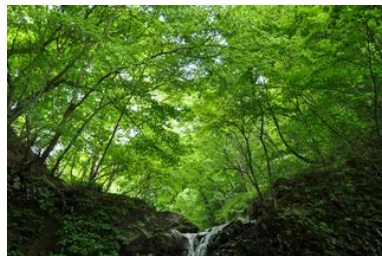
Without high quality water, we are unable to produce any beer, soft drinks, or whisky.

This is because water, especially groundwater, serves as Suntory's lifeline.

This precious groundwater is nurtured in the forest.

In order to maintain safety and reliability of groundwater as well as sustainability, we are cultivating water resources in forests which is more than twice the amount of water withdrawn by our plants. Therefore, plant water source recharge areas are specified, with a focus on our Institute for Water Science, and mid-to-long-term agreements are established with local government and forest owners to maintain forests, leading to the establishment of Natural Water Sanctuaries.

In addition to the first sanctuary location established in Aso City, Kumamoto Prefecture in 2003, there are now 26 Suntory Natural Water Sanctuaries in 16 prefectures, covering a total area of more than 12,000ha.

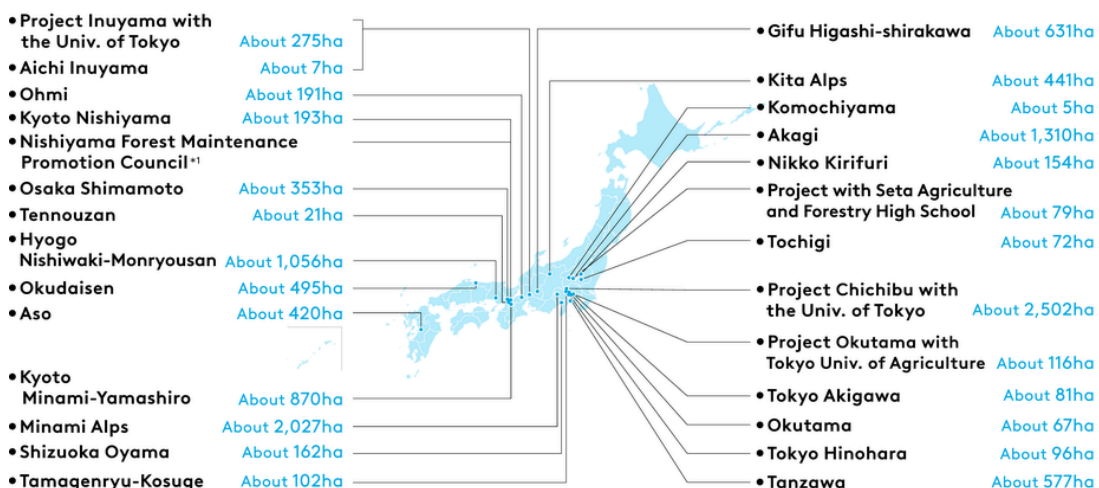


<Natural Water Sanctuary> Development Targets

- (1) Forests with a great capacity for cultivating water resources
- (2) Forests rich in biodiversity
- (3) Forests able to withstand flooding and landslides
- (4) Forests with great CO₂ absorption capabilities
- (5) Beautiful forests where visitors can encounter nature in all its abundance
(used for education programs, etc.)

Suntory Natural Water Sanctuary

26 areas nationwide Around **12,000ha** (As of August 2024)



^{*1} In Nagaokakyo, Kyoto, we are a member of the Nishiyama forestry development promotion committee and we are cooperating in local forest preservation activities with people in the community. The area of the forests subject to this activity is not counted as part of our total Natural Water Sanctuary area.

Looking at Groundwater -- Comparing simulation models with results from field surveys

One of the main purposes of our Natural Water Sanctuary Initiative to improve the function of forests for recharging water resources. As a way to evaluate the results, Suntory has been trying to quantitatively evaluate the amount of groundwater recharge using a groundwater flow simulation model since 2006 and is finally approaching a level of accuracy which would allow the model to be used. Through the simulation of groundwater flow, we attempt to simulate where groundwater passes and how long it takes to reach the factory, and combine it with field survey information to deepen understanding of the underground which we normally cannot see. We would like to incorporate these results into the maintenance plan which will lead to more effective cultivation of water source recharge areas.



In addition to simulation results, it is also important to combine these results with results based on information gathered in the field during hydrologic surveys, etc. for verification.

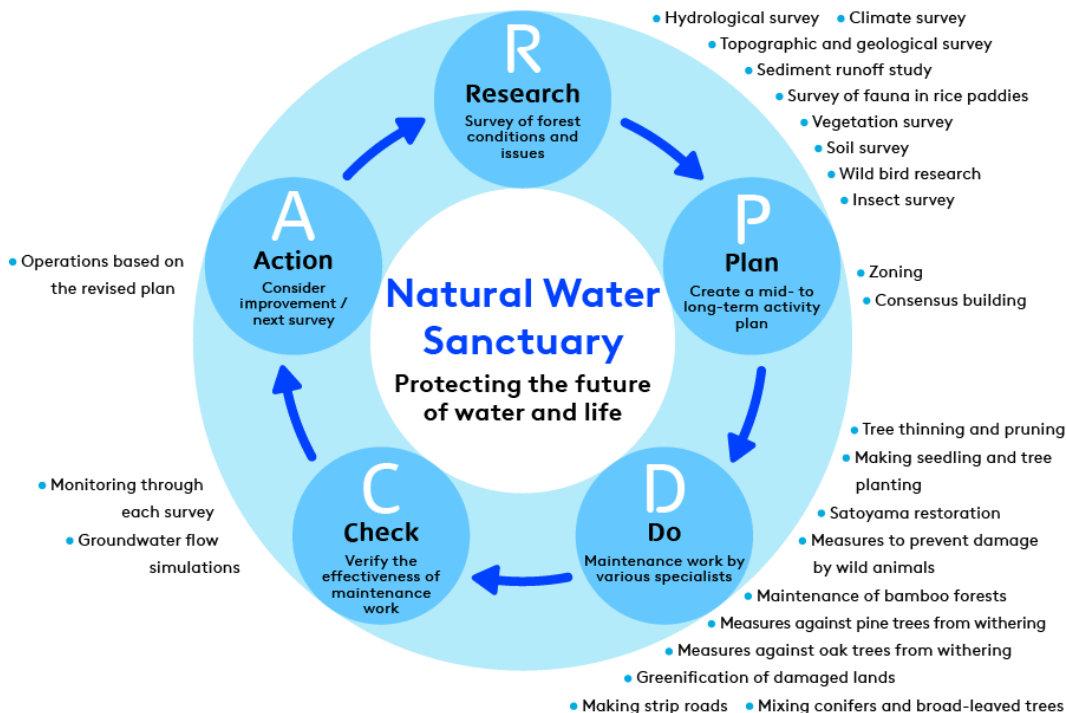
Forest Cultivation Which Looks 50 years and 100 Years Into the Future

All forests are different. So what are the special characteristics of each Natural Water Sanctuary as well as the issues that they face?

At first, we engage in activities that follow the RPDCA cycle which includes scientifically-based survey and research (Research), which serves as the foundation, creation of a vision (development plan) suited to each forest (Plan), maintenance work conducted by professionals (Do), verification of results (Check), and consideration of measures for improvement/conducting re-examination (Action).

The areas and fields of investigation and research targeted by Natural Water Sanctuary Initiative are diverse and linked organically. In doing so, cooperation based on the knowledge and skills of experts in various fields and of people in local communities are indispensable. We also use Natural Water Sanctuaries to conduct activities including human resource development support for passing on knowledge and skills (road creation, preventing damage from harmful animals, etc.), Suntory *Mizuiku* - Education Program for Nature and Water, which allows children to experience the importance of forests since they cultivate water, and The training program of First Hand Experience with Forestry by Suntory employees.

Suntory continues implementation of Natural Water Sanctuary Initiative in order to provide the blessing of nature, something that cannot be replaced, to our children, grandchildren, and future generations to come by first humbly listening to various related issues and work together with local communities to gain knowledge.



A Healthy Forest is One Full of Life -- Protecting Biodiversity

If there are many different types of plants in a forest, there will be an increase in the types of small animals that eat them, resulting in attracting animals that eat those small animals. In a healthy environment like this, a pyramid formed by various organisms is completed.

In 2022, we published the Suntory Natural Water Sanctuary Biodiversity Restoration Report. This report consists of two sections, a "Facts & Data" section that summarizes various issues facing Japanese forests and an "Actions" section which provides simple explanations and examples of activities taken to address these issues in "Suntory Natural Water Sanctuary."

[> Suntory Natural Water Sanctuary Biodiversity Restoration Report](#) 



Ecological Pyramid of a Forest:
Protecting the soil and vegetation
leads to the protection of
the entire ecosystem.



Suntory Natural Water Sanctuary
Biodiversity Restoration
Report Published

Biodiversity in a Natural Water Sanctuary from a Bird's Perspective

The plant and animal life living in the forest will change if the typical functions of the forest can be revitalized. Focusing on wild birds, which are said to serve as a barometer of a given environment, we conduct wild bird surveys by specialists in the Natural Water Sanctuaries every year based on the idea that it is possible to comprehensively grasp the changes in the entire ecosystem that supports them.

In addition, We have been promoting the project of nest building and rearing of chicks by eagles and hawks at all the Natural Water Sanctuaries in Japan with the purpose of advancing the development of a forest rich with biodiversity by taking the perspective of natural wild birds in the Natural Water Sanctuaries.

Becoming More Familiar with Natural Water Sanctuaries

Ikurinzai - Timber From Cultivated Forests Project

It is necessary to cut down trees in order to keep a forest healthy. The Suntory Group calls wood material made from Natural Water Sanctuary Initiative to nurture sustainable water and forests "Ikurinzai - Timber from cultivated forests, carefully using all the conifer and broad-leaved trees removed during tree cutting, road creation, and other activities.

Case Examples of Timber Utilization Inside and Outside of the Company



Research Location: Timber used
to create the entrance (flooring, etc.)
of Suntory World Research Center



All table tops at PRONTO mbs Tamachi shop.



Town Hall Chair in Mashiki Town, Kumamoto Prefecture

Natural Water Sanctuary Forum

Based on the goal of "Creating Forests Which Nurture Water and Life," specialists in a variety of fields who provide coaching and collaborate in Natural Water Sanctuary Initiative are invited the form which serves as an opportunity to share the newest expertise and policies for future activities. The forum was held nine times in total from 2011 to 2019.



A poster session where guests can ask lecturers questions and exchange opinions

Training Program for Employees

Many group employees and their families have volunteered for the forest stewardship program in Natural Water Sanctuaries up to 2013. Since 2014, so that each employee experiences and understands the values of our corporate philosophy "To Create Harmony with People and Nature," a total of about more than 8,000 people (including about 800 volunteers) participated in the First Hand Experience with Forestry as a training program for Suntory Group company employees, mainly current employees of Suntory Holdings Ltd. and Suntory Beverage & Food Ltd.



Employees cutting undergrowth at a Natural Water Sanctuary



Employees pruning trees at a Natural Water Sanctuary

Participate in "30by30 Alliance for Biodiversity" in Japan

The Suntory Group joined the "30by30 Alliance for Biodiversity" in Japan, which targets to halt and reverse biodiversity loss by 2030. As a coalition of governments, companies, and non-profit organizations, the "30by30 Alliance for Biodiversity" has been established in Japan to achieve the "30by30" targets to conserve or protect at least 30 percent of the country's land and ocean by 2030.

Six of Suntory Group's Natural Water Sanctuary initiative sites has been approved to be certified as Other Effective area-based Conservation Measures (OECM) to achieve the "30by30" goals.

1. Hyogo Nishiwaki-Monryusan (Nishiwaki City, Hyogo)
2. Tokyo Akigawa (Akiruno City, Tokyo)
3. Shizuoka Oyama (Oyama Town, Shizuoka)
4. Nikko Kirifuri (Nikko City, Tochigi)
5. Ohmi (Hino Town, Shiga)
6. Akagi (Shibukawa city, Maebashi city, Gunma)



Wisdom of Water (Suntory) Corporate Sponsored Research Program Organization for Interdisciplinary Research Project The University of Tokyo

Suntory Holdings Ltd. established the Wisdom of Water (Suntory) Corporate Sponsored Research Program Organization for Interdisciplinary Research Project The University of Tokyo in April 2008, and it has held this research program for five years. By cultivating more social interest in water, we are engaging in the various activities below with the aim of contributing to the education of research in academic fields while promoting solutions of water issues as well as developing a rich water environment.



"Water Map of Japan"



"Water Drill" educational contents
for elementary students



The Wisdom of Water and Scientific Study of Forests and Water websites

Official Partnership for National Parks

The Suntory Group has concluded the "Official Partnership for National Parks" with the Ministry of the Environment in 2016. Through this program, we aim to deepen people's understanding of the conservation of the natural environment and to revitalize the areas where the national parks are located. We will continue to promote the wonders of the national park along with our Natural Water Sanctuary Initiative.



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Suntory Mizuiku - Education Program for Nature and Water

Suntory Group is supported by the bounty of water and nature, and we engage in environmental activities to preserve beautiful water for the future, including Natural Water Sanctuary initiatives to protect forests where water is nurtured.

One of these activities is Suntory “Mizuiku”^{*} — education program for nature and water, a next-generation environmental education program launched in 2004.

Mizuiku is a program unique to Suntory that helps children experience the wonder of nature, become aware of the importance of water and the forests nurturing it, and consider what they can do to pass on water to future generations.

The program is deployed in Japan and, in collaboration with local NGOs and other organizations, in seven other countries. As of December 31, 2023, the cumulative number of participants exceeded 580,000.

^{*} Mizuiku is a registered trademark of Suntory Holdings Limited.

Suntory Mizuiku Expanding in 8 Countries



Japan

Mizuiku education in Japan is centered on two programs: the Outdoor School of Forest and Water, offering shared hands-on nature experiences for parents and children, and the Teaching Program at Schools, a program for elementary schools.

Suntory Mizuiku — education program for nature and water received the Ministry of Education, Culture, Sports, Science and Technology’s Jury Award for Excellence for Companies Promoting Youth Experiential Activities in fiscal 2023.

^{*} Sponsor: Ministry of the Environment, Ministry of Education, Culture, Sports, Science and Technology, etc.

Outdoor School of Forest and Water

This hands-on nature program, geared to elementary school students from grades 3 through 6 and their parents or guardians, is held in the home regions of (Mineral Water) Suntory Tennensui. Participants experience for themselves the importance of water and of the forests that produce it amid the great outdoors at Hakushu (Yamanashi prefecture), Kita Alps (Nagano prefecture), Okudaisen (Tottori prefecture), and Aso (Kumamoto prefecture). We also operate a remote school that enables participants to experience nature from home. The Outdoor School of Forest and Water staff conduct the program together with expert instructors who play active roles locally in environmental education.



Outdoor School of Forest and Water

Teaching Program at Schools

We offer study programs for students in grades 4 and 5 in elementary schools together with their teachers. We believe we can make a difference by teaching the cycle and importance of nature through videos and experiments, so that together we can pass down water to future generations. We also conduct online classes, and elementary schools all over Japan can participate.



Teaching Program at Schools

[Suntory Mizuiku — Education Program for Nature and Water website](#)

Vietnam

Since March 2015, we have offered a Mizuiku program in Vietnam.

In cooperation with international NGOs, we have developed original teaching materials, and since 2017 we have been working with the Young Pioneer Organization (CCYPO) of the Central Committee of the Communist Party of Vietnam. Moreover, since 2022, we have been collaborating with the Ministry of Education and Training to provide classes for elementary school students in grades 3 and 4 on the importance of water, water sanitation, and water source conservation. In addition, we are contributing to the installation of toilets and washrooms at elementary schools to improve sanitary environment of children.

This activity was created to contribute to Target 6.B of Sustainable Development Goal 6 “Ensure access to water and sanitation for all.”

In December 2022, Suntory PepsiCo Vietnam Beverage concluded a comprehensive collaboration agreement with the Ministry of Education and Training to deploy Mizuiku programs across Vietnam over a three-year period.



Suntory Mizuiku — education program for nature and water in Vietnam

Thailand

We have offered a Mizuiku program in Thailand since July 2019.

With cooperation from local NGOs, we are developing water awareness projects in elementary schools in the capital of Bangkok, as well as in Rayong and Saraburi provinces. We are also engaged in erosion prevention projects in the northern province of Chiang Mai and the southern province of Nakhon Nayok. By slowing stream currents, installing small weirs to support permeation of underground water, and planting trees to prevent soil from flowing into streams, we can prevent sediment-related erosion, and we plan to continue these efforts.



Suntory Mizuiku — education program for nature and water in Thailand

France

In July 2020, Suntory Beverage & Food France established a workshop-based water education program for elementary school students in partnership with Grand Parc Miribel Jonage, a nature park located near its Meyzieu Plant. The program includes content on the role forests have in cultivating water, experiments to show how rainwater becomes underground water, and more.

In 2017, Suntory Beverage & Food France initiated a 20-year water-conservancy partnership with Grand Parc Miribel Jonage. Together with the local community, we are promoting conservation activities in forests extending into the park, including protecting and nurturing the water and natural environment in areas near factories. We are also conducting Mizuiku educational activities in line with this partnership.



Workshop-based water education program in France

China

Since September 2021, with the cooperation of the Shanghai Volunteer Foundation, a local public interest group, we have been conducting a Mizuiku program for grade 3 and 4 elementary school students in Shanghai. This program teaches elementary school students the basic knowledge about water and the habit of saving water, through experiments and videos about how nature works with contents tailored to the local situation such as by questioning “where does city water come from and end up in?”



Suntory Mizuiku — education program for nature and water in China

Spain

Since May 2022, we have been conducting a Mizuiku program in Spain. With support from local environmental experts, we are offering an educational program for elementary school students in the province of Toledo. The field activities are carried out in the natural environment of the Guajaraz reservoir in the vicinity of Toledo, where the main factory of Suntory Beverage & Food Spain is based and source their water from. The program teaches children the importance of water, such as by deepening their understanding of the natural water cycle and how it relates to their daily lives, how to use water responsibly, and the relationship between water and biodiversity, as well as provides training and ideas on how to preserve and improve the quality and quantity of water in the future.



Suntory Mizuiku - education program for nature and water in Spain

United Kingdom

In May 2023, we launched a Mizuiku program in the United Kingdom. In collaboration with a charitable organization that conserves the environment of local rivers, we are developing a nature experience program for children up to elementary school age and their families in the Severn River basin, the water source for the Coleford Factory. The program teaches students about the importance of water and water conservation, including basic knowledge about water and the water cycle, and the relationship between water and biodiversity.



Suntory Mizuiku - education program for nature and water in the United Kingdom

New Zealand

In May 2023, we launched a Mizuiku program in New Zealand. In collaboration with an NPO that works to preserve local river environments, we are developing on-site classes for elementary school students. The program conveys to students the mechanisms of nature and the importance of water, and covers basic water knowledge, including the water cycle, as well as ocean pollution prevention, including upstream river cleanup.



Suntory Mizuiku - education program for nature and water in New Zealand

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Climate Action

▼ Policies and Our Approach

▼ Promoting Structure

▼ Targets and Progress

▼ Our Initiatives

Policies and Our Approach

An ongoing stable supply of products will be difficult if the effects of global warming more drastically change the climate patterns as well as greatly impact water resources, which are crucial for beverage manufacturers. Suntory Group recognizes global warming as one of the major challenges in business continuity due to the potential risk for great increases in production costs caused by a depletion of resources. Therefore, we need to unify as a Group to prevent global warming with the goal of reducing the environmental impact throughout the entire value chain by joining the environmental efforts of governments and local municipalities and by supporting public policy and regulations aimed to mitigate global warming. In May 2019, Suntory Group expressed its support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations established by the Financial Stability Board (FSB).

Promoting Structure

Global Sustainability Committee

To promote sustainability management, the Global Sustainability Committee (GSC) acts as an advisory committee to the Board of Directors. The Group's sustainability strategies and the progress on priority themes (water, climate change, containers and packaging, raw ingredients, health, human rights and enriching life) are discussed in the GSC under the lead of the Chief Sustainability Officer

▶ [For more information on the Global Sustainability Committee, see Environmental Management.](#)

Targets and Progress

Environmental Vision toward 2050



Climate Change Measures

- Aim for net **zero** greenhouse gas emissions across the whole value chain by 2050

Continue to promote energy conservation, proactively implement renewable energy solutions, utilize next-generation infrastructure options and work together with stakeholders across the value chain in order to contribute to realizing a decarbonized society



Environmental Targets toward 2030

2023 Progress

Greenhouse gas (GHG)



- Reduce GHG emissions from our direct operations by **50%***

- **24%** reduction compared to 2019



- Reduce GHG emissions across our entire value chain by **30%***

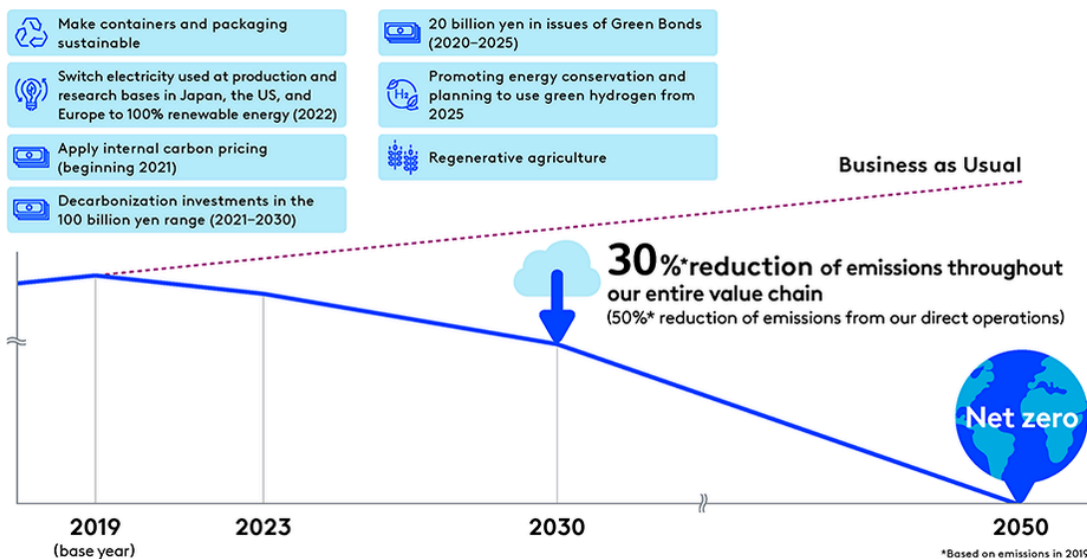
- **7.8%** reduction compared to 2019

*1 Based on emissions in 2019.

* The greenhouse gas (GHG) emission reduction target set in Environmental Targets toward 2030 has been certified as a 1.5°C Target by the SBT Initiative.

➤ For more information on GHG emissions achievements, see the List of achievements data.

Road Map to Net Zero



Our Initiatives

Decarbonization Investments to Achieve Environmental Targets toward 2030

Suntory Group plans to invest 100 billion yen from 2021 to 2030 to promote decarbonization. These investments are expected to reduce GHG emissions by approximately one million tons in 2030.

Initiatives to Reduce Own-site Emissions (Scope 1 and 2)

Internal Carbon Pricing

Suntory Group introduced internal carbon pricing in 2021. Internal carbon pricing is widely used in making management decisions, mainly capital investment decisions contributing to climate change countermeasures.

<ICP Summary of Suntory Group>

Price	8,000 yen per ton
Approach	Shadow price
Scope	Internal Suntory Group
Prerequisites for price calculation	Calculated based on forecasts by the IEA and other international organizations, benchmarks used by other companies in the industry and those promoting advanced environmental initiatives, as well as evaluation of past internal decision-making.

Initiatives in Production and R&D

Use of Renewable Energy

Suntory Group uses 100% renewable energy for electric power purchased at all of its alcohol and non-alcohol manufacturing sites and R&D facilities in Japan, the Americas, and Europe. This policy contributes to an annual reduction of approximately 230,000 tons* of GHG emissions.

In addition to procured power, we are installing solar panels and introducing biomass boilers as required to generate renewable energy on site.

* Based on power procured, 2023



Suntory Minami Alps Hakushu Water Plant



Suntory Kita Alps Shinano-no-Mori Water Plant



Carcaixent Plant (Spain)



Biomass boiler (Chita Distillery)



Biomass boiler (Suntory Kita Alps Shinano-no-Mori Water Plant)

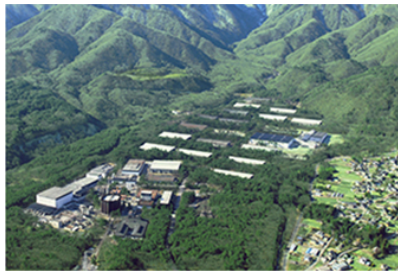


Fred B. Noe Craft Distillery (Suntory Global Spirits, North America)

Installing Japan's largest 16-megawatt P2G (Power to Gas) system for in-house green hydrogen production

In September 2022, Suntory Holdings Ltd. signed a basic agreement with Yamanashi Prefecture to realize an environmentally harmonious and sustainable society. Suntory aims to install a 16-megawatt P2G system, Japan's largest, at the Suntory Minami Alps Hakushu Water Plant and Suntory Hakushu Distillery by 2025. The system will utilize electricity derived from solar power and other renewable energy sources, making it capable of producing "green hydrogen" without emitting CO2 during the hydrogen production process.

The green hydrogen produced will not only be used as fuel for heat energy at the company's Hakushu facilities but are also planned to be utilized in the surrounding communities.



Suntory Minami Alps Hakushu Water Plant and Suntory Hakushu Distillery



Installing P2G system

Promoting Energy Conservation

Suntory Group is engaged in a wide range of initiatives to conserve energy. Suntory Spirits Ltd. Gunma Brewery is actively making use of natural energy, while the Suntory World Research Center has introduced equipment to reduce its environmental impact. In addition, there are sites like Iwanohara Vineyard and Suntory Okunodaisen Bunanomori Water Plant, which take advantage of their locations in areas with heavy snowfall by using "snow rooms" that store winter snow throughout the year.



Suntory Spirits Ltd. Gunma Brewery



Suntory World Research Center



Snow room at Okudaisen Bunanomori Water Plant of Suntory Products Ltd.

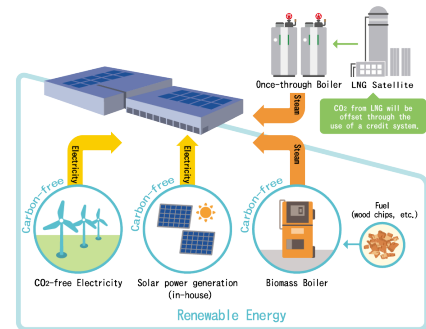
Suntory Group's first net-zero CO₂ Emissions plant in Japan

The Suntory Kita Alps Shinano-no-Mori Water Plant (Omachi City, Nagano Prefecture) which started operation in May 2021 as a fourth water source for Suntory Tennensui Mineral Water, become the Suntory Group's first net-zero CO₂ emissions plant in Japan through adoption of solar power generation facility and boilers which use biomass fuel, electric power procurement derived from renewable energy as well as offsetting.

In 2023, the Suntory Kita Alps Shinano-no-Mori Water Plant became the first food and beverage factory in Japan to receive PAS2060^{*1} carbon-neutral certification from the British Standards Institution (BSI). In 2024, the factory was recertified.

^{*1} Abbreviation for Publicly Available Specification 2060, an international standard issued by BSI to quantify, reduce, and carbon offset greenhouse gas (GHG) emissions from products/services/activities, thereby declaring them neutral (i.e., emissions of GHGs are effectively zero).

[PAS 2060 Qualifying Explanatory Statement\(Japanese Only\)](#) 



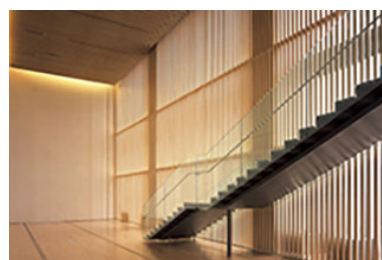
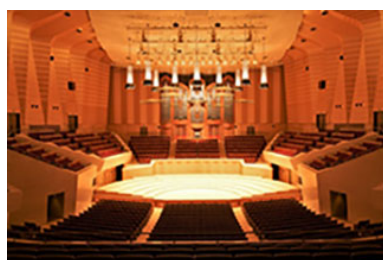
Initiatives in Offices and Other Facilities

Actions in the Offices

Our major offices purchase 100% renewable electricity. In addition, various initiatives are carried out by all employees daily with higher awareness on saving energy in each office. The Odaiba Office in Tokyo installs use of reused water, automatic lighting control system, and human detection sensors for lights in toilets and escalators. Reduction of greenhouse gas(GHG) emission are being promoted in each office by implementing cool biz and warm biz and actively using web conference system.

Suntory Hall and Suntory Museum of Art Purchase 100% Renewable Electricity

From April 2022, Suntory Group purchases 100% renewable electricity for all 30 directly owned manufacturing sites and R&D facilities in Japan. Suntory Hall and Suntory Museum of Art have also switched to purchasing 100% of their electricity from renewable energy sources. Through these efforts, the two facilities have been able to reduce CO₂ emissions by approximately 900 tons per year compared to the past.



Initiatives to Reduce Emissions from Raw Ingredient Procurement and Logistics, etc. (Scope 3)

Supplier Engagement

Data Gathering, Goal Setting, and Sharing Best Practices

Suntory Group holds annual policy briefings for its principal business partners, including raw material suppliers, contract manufacturers, and logistics partners, to promote awareness of and support for sustainability initiatives. In addition, through presentations to explain Group initiatives and the use of surveys, we monitor the status of CO₂ emission reduction targets set by major suppliers, and considering future procurement policy initiatives.

Raw Ingredient-related Initiatives

The bounties of nature, in the form of agricultural crops and other raw ingredients, are essential inputs for Suntory Group products. As such, we are collaborating with business partners in the supply chain to implement a broad range of climate change-related initiatives. In particular, it is estimated that GHG emissions from agriculture and forestry account for about a quarter of all such emissions.* Suntory Group also estimates that agriculture-derived GHG emissions account for about 20% of GHG emissions in its value chain, and is working to effect a shift to sustainable agriculture.

※ IPCC 5th Report WG3 SPM

Barley

To reduce greenhouse gas (GHG) emissions originating in raw ingredients, Suntory Group is collaborating with malt supplier Muntons, agricultural consulting firm Future Food Solutions, and barley farmers, and implementing a range of initiatives in a project to procure barley for malting produced through regenerative agriculture*¹ in the United Kingdom.

Through agricultural approaches such as the use of cover crops*² and no-till farming, the project hopes to reduce GHG emissions from agriculture by 50% within five years while regenerating soil biodiversity, enhancing soil fertility, reducing chemical fertilizer and pesticide use, and using water more effectively.

*¹ Agricultural methods that focus on enhancing soil fertility by regenerating its ecosystem to make crop production sustainable

*² Cover crops that can enhance soil fertility by supplying organic matter to the soil, preventing erosion, etc.



Green Tea

To promote sustainable tea leaf procurement, the raw material for green tea beverages, Suntory Group has launched a long-term initiative in collaboration with tea farming areas.

By working with the Kuma Regional Agricultural Cooperative (JA Kuma) to introduce environmentally friendly tea farming processes, we have reduced GHG emissions by over 30%* compared to conventional processes.

In conjunction with the pursuit of high-quality tea production, we hope to go on contributing to stable succession and training of successors in tea farming regions.

* GHG emitted per weight unit during the production of green tea material, from raw leaves to rough tea



Blackcurrant

Suntory Beverage & Food Great Britain and Ireland has been conducting research on new, climate change-resistant species of blackcurrant. In July 2020, after years of research in collaboration with the James Hutton Institute, an agricultural research facility, we harvested a new climate change-resistant species, named Ben Lawers.



Wine Grapes

In collaboration with University of Yamanashi, Suntory Tominooka Winery has introduced a new, secondary-shoot cultivation technique for wine grapes. The daily temperature range normally begins to expand as nighttime temperatures start to drop around mid-July, causing the sugar content of grapes to increase as they ripen. However, climate warming has recently slowed the ripening process. In secondary-shoot cultivation, the tips of shoots that sprout in April are trimmed, and the resulting side shoots are nurtured. This shifts the start of ripening from mid-July to early September, when temperatures start to drop, and grapes are harvested in mid-November.

In other vineyard initiatives, we are promoting formation of soil rich in biodiversity by minimizing the use of pesticides and fertilizer. This boosts the population of microorganisms and beneficial insects in the soil and decreases the population of pests. We also store carbon by carbonizing pruned branches and mixing them into the soil.



[▶ For more information on our raw material initiatives, see Supply Chain Management](#)

Container- and Packaging-related Initiatives

Suntory Group aims to eliminate the use of fossil-derived materials in PET bottles by switching to 100% recycled or plant-derived materials for all PET bottles used by the Group by 2030. We are promoting initiatives based on the Group's unique 2R+B (Reduce, Recycle + Bio) strategy, which aims to reduce the amount of plastic used in bottles by making them lighter (Reduce), recycling them as a resource (Recycle), and utilizing biomass-derived resources (Bio). The development of weight reduction and recycling technologies has produced a reduction in CO2 emissions.

In particular, "bottle-to-bottle" horizontal recycling^{*1} allows PET bottles to be recycled in Japan multiple times as a resource, reducing CO2 emissions by approximately 60%^{*2} relative to manufacturing PET bottles from new fossil-based raw materials. As of May 31, 2024, our use of new fossil-based raw materials was 300,000 tons less than it would have been had we not utilized horizontal recycling.

*1 Recycling used PET bottles into new PET bottles

*2 With respect to the process from used PET bottles to preform manufacturing

[▶ For more information on our container- and packaging-related initiatives, see Packaging & Resource Efficiency](#)

Initiatives in Logistics

Suntory Group is working to reduce the environmental impact of its logistics operations, including transport and delivery operations and warehouse operations. We are working to shorten transport and delivery distances traveled from plants to customers by promoting local production for local consumption, maximizing utilization of large vehicle load capacity, and switching to next-generation fuels and transport modes with lower GHG emission levels.

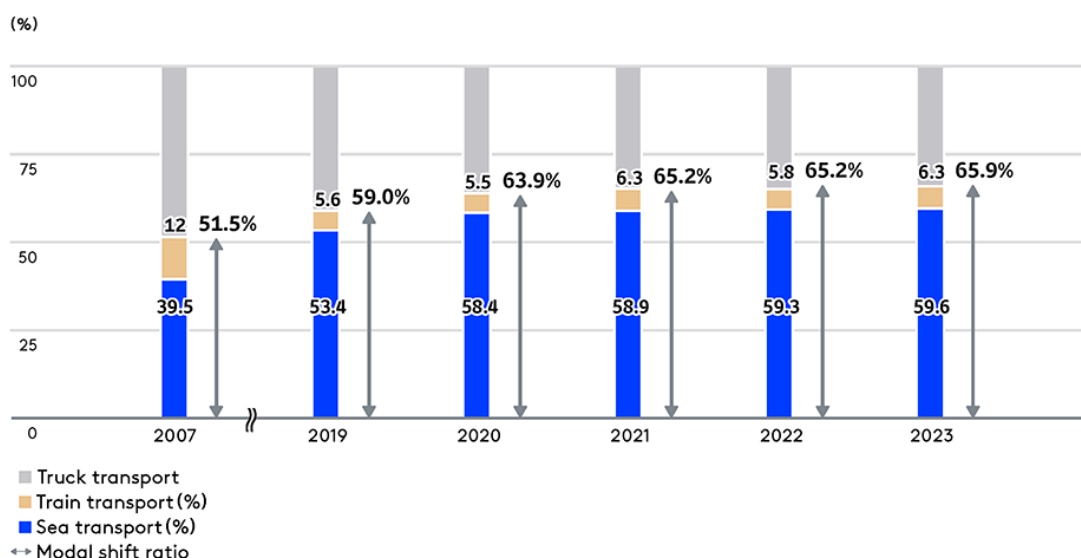
In warehouse operations, we are working to shorten operating hours and reduce power consumption.

During 2023, sales (KL) expanded by 4% over the previous year. GHG emissions rose 2% to 154,000 CO₂-tons^{*} while the basic unit was 22.5 CO₂-ton/thousand KL sold.

Reducing GHG Emissions with a Modal Transport Shift

1. Enhancing the modal shift rate

We are promoting a modal shift to rail and ocean transport, which emits less GHG than trucks. The 2023 modal shift rate rose over the previous year.



2.Enhancing usage of fuels with less GHG emissions

To encourage our transportation partners to use next-generation fuels that emit less GHGs than conventional fuels, we identified issues for expanded use in the future and are engaged in discussions for solving those issues. The next-generation fuels were introduced in 2022, and we used them at roughly the same levels in 2023.

Collaborative Efforts with Logistics Affiliates

136 of our logistics affiliates (as of 2023) have acquired certifications, such as the ISO14001 and Eco Stage as well as Green Management advocated by the Ministry of Land, Infrastructure, Transport and Tourism, with the aim to further reduce the environmental impact. In addition, in response to amendments to the Rationalization in Energy Use Law, Suntory Group collected GHG emissions data such as the monthly distance driven by vehicles, the amount of fuel consumed, and the useful load of logistics affiliates.

Collaborative Efforts with Other Companies

We are partnering with other companies for reducing environmental impact in logistics through joint distribution and joint use of containers.

Coordination	Description	Starting from	Results
NISSIN FOODS HOLDINGS CO., LTD.	Joint transport in the Obihiro area of Hokkaido	June 2017	Approximate annual GHG reduction of 50 tons (Total figures for both companies)
Four major beer companies in Japan	Joint distribution in some areas of Hokkaido (Kushiro/Nemuro)	September 2017	Reduction of approximately 330 tons of GHG emissions per year (*Figures apply to all four beer companies)
Four major beer companies in Japan	Joint distribution for transport between Kansai/Chugoku area and Kyushu area	April 2018	Reduction of approximately 1,500 tons of GHG emissions per year (*Figures apply to all four beer companies)
Four major beer companies in Japan	Joint collection of beer pallets	November 2018	Reduction of approximately 4778 tons of GHG emissions per year (*Figures apply to all four beer companies)
Unicharm Corporation	Joint use of railway containers between Shizuoka area and Fukuoka area	February 2021	Reduction of approximately 2 tons of GHG emissions per year

			(*Total figures for both companies)
Daio Logistics Co., Ltd.	Joint Kanto-Kansai transport	August 2022	Approximate annual GHG reduction of 115 tons (*Two-company total)
Daio Logistics Co., Ltd.	Parties share one-way rail containers	August 2022	Approximate annual GHG reduction of 100 tons
Daio Logistics Co., Ltd.	Railroad Container Round-trip Utilization between Kanto and Shikoku	June 2023	Approximate annual GHG reduction of 31 tons
Japan Freight Liner Company	Utilization of ocean 40ft containers for return trips	July 2023	Approximate annual GHG reduction of 89 tons

Reducing Environmental Impact of Sales Vehicles and Vehicle Accidents

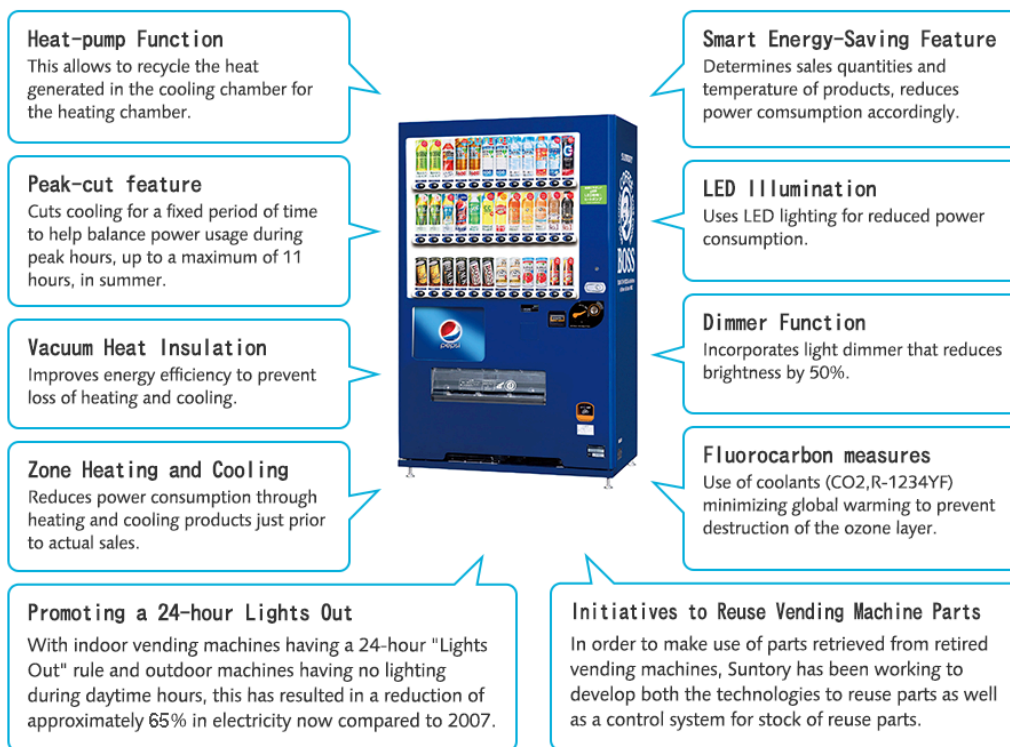
We are proactively saving energy by replacing most of the vehicles used in our sales activities with hybrid vehicles.

In addition, by introducing vehicle operation management systems and drive recorders that can acquire driving data such as driving distance, driving behavior, and fuel efficiency in sales vehicles. We promote safe driving and eco-driving by feeding back the result of the analysis of collected data.

Energy Conservation in Vending Machines

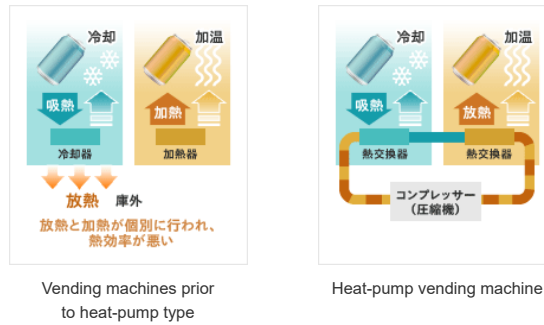
We are implementing various initiatives to save energy in vending machines in Japan as one of priority initiatives to reduce GHG in the entire value chain.

Key Features of Suntory Vending Machines



What is a heat-pump vending machine?

A heat-pump vending machine in Japan is a vending machine with a built in system to collect heat generated by the cooling chamber for the heating chamber. These vending machines largely contribute to energy saving through function to effectively use heat inside the vending machine and latest machine can even exchange heat with the atmosphere.



Ensuring Reasonable Waste Disposal of Vending Machines

We are leading the industry in building a Vending Machine Waste Disposal System that collects and recycles vending machines to throw away, which we have expanded nationally since January 1997. We are strictly managing disposal from the initial selection of vending machines to discard to the final disposal in compliance with the revisions to the Wastes Disposal and Public Cleansing Act in April 2001. We are properly processing broken machines by understanding the amount of machines to collect based on the Act for Rationalized Use and Proper Management of Fluorocarbons even in regards to the fluorocarbons that are used as a refrigerant in vending machines.

Strategies for Adapting to Global Warming

To better adapt to climate change, we are expanding our portfolio of heat stroke-prevention beverages* and conducting educational initiatives relating to heat stroke at supermarkets and other in-store environments, as well as heat stroke prevention classes for elementary school students.

* The Ministry of Health, Labour and Welfare's recommended salt equivalent for beverages to prevent heat stroke is 0.1 g to 0.2 g/100 ml.

Participation in Initiatives

SBT Initiative Certification

Suntory Group has signed the "Business Ambition for 1.5°C," a campaign led by the Science Based Targets initiative^{*1} in partnership with the UN Global Compact and the We Mean Business^{*2} coalition to hold global temperature increases to 1.5°C above pre-industrial levels.

Suntory Group has had its 2030 emissions reduction targets approved by the Science Based Targets initiative as consistent with levels required to meet the goals of the Paris Agreement.



*1 The SBTi is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wildlife Fund for Nature (WWF). It drives ambitious climate action in the private sector by enabling companies to set science-based emissions reduction targets.

*2 We Mean Business is a global nonprofit coalition working with the world's most influential businesses to take action on climate change. Together they catalyze business leadership to drive policy ambition and accelerate the transition to a zero-carbon economy.

[SCIENCE BASED TARGETS](#)

Endorsement of Task Force on Climate-related Financial Disclosures (TCFD) Recommendations

Suntory Group has declared its Endorsement of Task Force on Climate-related Financial Disclosures (TCFD) recommendation, which was established by the Financial Stability Board (FSB).



In addition, we conducted scenario analysis for climate change according to the recommendations of the TCFD and learned about the possibility that climate change will have a significant impact on the crops that are Important ingredient to Suntory Group. From here on, we will do further advance scenario analysis and expand disclosure of information related to the risks and opportunities that climate change poses to business.

 **For more information, see [Disclosures Based on Task Force on Climate-related Financial Disclosures \(TCFD\) Recommendations](#).**

Disclosure Based on TCFD

In order to sustain business and continue to create value, Suntory Group believe it is necessary to identify risks due to climate change as well as their potential impact on business and respond appropriately.



In May 2019, Suntory Group declared its support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations established by the Financial Stability Board (FSB), and makes disclosures based on the recommendations annually.

Starting in 2022, in addition to assessing and identifying the risks and opportunities that the problem of climate change presents to society and corporations, we started to estimate the monetary impacts on our business. Going forward, we will aim to enhance our resilience to these impacts by incorporating adaptive measures into our strategies to address risks and opportunities as they become evident. We will also continue to expand disclosure of related information.

1. Governance

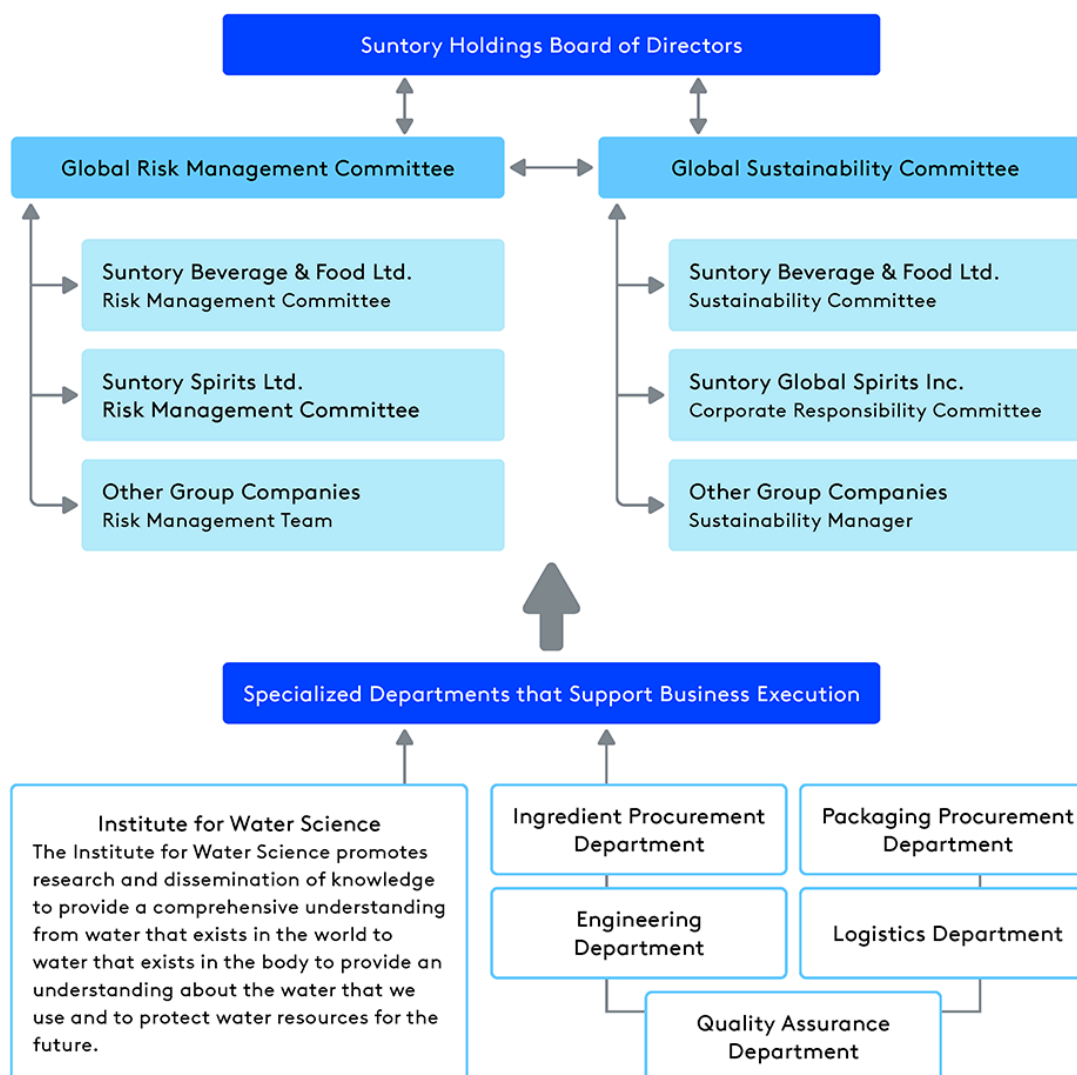
The Global Risk Management Committee (GRMC) strengthens risk management throughout the entire Group. We have established a risk management committee and risk management team based on this GRMC (e.g. installation of a Risk Management Committee at Suntory Spirits Ltd. and Suntory Beverage & Foods Ltd., etc., the Global Risk & Compliance Committee at Suntory Global Spirits Inc., and the Risk Management Team at other Group companies). Meeting four times a year, the GRMC identifies the entire Group's risks, executes countermeasures, and engages in activities related to the establishment of crisis management systems. Climate related risks, one of the most important risk categories, are discussed by the GRMC and the responses to those risks are then monitored.

The Global Sustainability Committee (GSC) discusses medium- to long-term strategies relating to the seven themes defined by the Sustainability Vision, including climate action. In addition, we have established committees at each business in order to hold discussions about more specific strategies and initiatives (e.g., the Sustainability Committee was established at Suntory Beverage & Foods Ltd. and the Corporate Responsibility Committee was established at Suntory Global Spirits).

The GRMC and GSC are in constant cooperation, and important matters to be discussed are further deliberated and resolved by the Board of Directors. Progress in implementing strategies related to climate change, and business risks and growth opportunities are reported to the Board of Directors on a quarterly basis. In addition, the Board of Directors provides opportunities to receive advice on climate change and sustainability management, such as by regularly holding study sessions led by invited external experts.

Climate related KPIs are set in the management strategy meeting. The CEO is responsible for climate related issues and the Chief Sustainability Officer is responsible for assessment of climate-related risks and opportunities as well as their management. Business performance targets that determine officer remunerations include sustainability targets.

Organizational Chart



2. Strategy

Suntry Group assesses climate change related issue based on their importance. For risks that are expected to have a large impact on business, we have set medium- to long-term targets and are proceeding with initiatives.

As the approach to identifying risks and their assessment, we create an evaluation of the identified risks based on the two axes of "Risk Exposure" and "Degree of Response." In particular, we categorize major Group-wide risks as Tier 1 through Tier 3, with Tier 1 being most important risk and Tier 2 important risk. "Risk Exposure" is calculated by probability of occurrence (probability) x magnitude of impact (impact), and "Degree of Response" is calculated by the degree of preparation for countermeasures. As a result of the evaluation, climate-related risks are positioned as one of the most important risk types.

With consumers, investors, and other stakeholders increasing interest in GHG emissions by corporations, we recognize that risks and opportunities related to climate change may greatly affect our business strategy. We conduct scenario analysis to understand and take measures against risks and opportunities related to climate change that may impact business and consider them during financial planning.

Risks and Opportunities (Identify risks and opportunities, estimate the amount of monetary impact)

To identify important financial risks and opportunities for an organization, impact and frequency of each item in the span of short (0 to 3 years), medium (3 to 10 years), and long (10 to 30 years) term were considered. Result of the internal assessment is organized and shown below. Of the identified risks and opportunities, we recognized that increase in costs due to introduction of carbon tax, opportunity loss due to insufficient supply of water at production sites, and increase in raw material costs due to decrease in yield of agricultural products are the three items that may have a significantly impact and estimated the amount of their monetary

impact on business. For the basis of analyzing risks and opportunities, we used RCP 8.5 as global warming scenario and IEA NZE 2050 and other scenarios as decarbonization scenario.

1. Identify major risks and opportunities			2. Assess the impact of each risks and opportunities on business (For most important risk, estimate the amount of monetary impact)	3. Determine/conduct response measures
Types of Risks and Opportunities			Estimated impact on business	Measures to reduce risks/seize opportunities
Transition Risk	New regulation	Increase in production costs due to introduction of carbon pricing	<ul style="list-style-type: none"> • Increase in financial burden due to introduction of carbon tax and its tax rate increase • Estimated impact on business: JPY 19.0 billion in 2030 and JPY 35.0 billion in 2050 ^(Note 1) 	<ul style="list-style-type: none"> • Introduction of internal carbon pricing and use it for decision making related to investment • Plan to invest an approximately JPY 100 billion (shift to renewable energy, utilization of heat pumps, etc.) by 2030 to promote decarbonization. • If the targets set in "Environmental Targets toward 2030" and "Environmental Vision toward 2050" are met, effects of reduction will be JPY 9.5 billion in 2030 and JPY 35.0 billion in 2050. <p>> Climate Action</p>
		Impact of insufficient supply of water on operation of production sites	<ul style="list-style-type: none"> • Opportunity loss due to suspension of plant operations caused by insufficient supply of water, Group's most important raw material • Estimated impact on business: JPY 26.5 billion ^(Note 2) 	<ul style="list-style-type: none"> • Assess risks related to water availability of all watersheds where our plants are located in (For details, refer to "Water Risk Assessment") • Consider reducing total amount of water used in plants and returning more than the amount of water used at the plants through water resource cultivation activities <p>> Water Risk Assessment</p>
Physical risks	Chronic risks	Increase in procurement costs due to decline in yield of agricultural products	<ul style="list-style-type: none"> • Increase in costs to procure raw materials with same level of quality as now • Estimated impact on business: JPY 8.0 billion (RCP 8.5 scenario, 2050) (For details, refer to "Activities for stable procurement of raw materials") 	<ul style="list-style-type: none"> • Assess the impact of estimated future yield considering climate change and other factors by origin of raw materials and formulate strategy for stable procurement • Start trial of sustainable farming (For details, refer to "Activities for stable procurement of raw materials") <p>> Activities for Stable Procurement of Raw Ingredients</p>
		Acute risks	Flood, etc. caused by large typhoon or heavy rain	<ul style="list-style-type: none"> • Suspension of operations due to flooding, disruption of value chain, and other damages from a flood

1. Identify major risks and opportunities		2. Assess the impact of each risks and opportunities on business (For most important risk, estimate the amount of monetary impact)		3. Determine/conduct response measures
Opportunities		Impact on health due to rising temperatures	<ul style="list-style-type: none"> Rising average temperatures and heat waves will increase the need for anti-heat stroke beverages and water beverages 	<ul style="list-style-type: none"> Invested in capital to increase production capability and stable supply system Products development that meet consumer needs <p>➤ Strategies for Adapting to Global Warming</p>
	Products/ Services	Change in consumer behavior due to increased environmental awareness	<ul style="list-style-type: none"> Enhancement of brand value through public recognition of the company's commitment to the conservation of water resources 	<ul style="list-style-type: none"> Continue and strengthen water cultivation activities based on scientific data, water-saving and water quality management activities at plants, and "Mizuiku" - Natural Water Education Program as well as sharing information with the public <p>➤ Water Sustainability</p>
	Resource efficiency	Cost reduction due to introduction of new technology	<ul style="list-style-type: none"> Reduction in use of petroleum resources and CO₂ emissions due to development of new technology Cost reduction in taxes related to one way plastics 	<ul style="list-style-type: none"> Development of new technology for more efficient PET preform manufacturing process (F-to-P direct recycling technology, etc.) Development of efficient used plastic recycling technology (R Plus Japan Ltd.) <p>➤ Container- and Packaging-related Initiatives</p>

Note 1 :Estimated using our Scope 1 and 2 emissions in 2019 and carbon tax price independently estimated based on forecast figures of the International Energy Agency (IEA)'s "Net Zero by 2050: A Roadmap for the Global Energy Sector (NZE)."

- 2030: Japan, Europe, and Americas. US\$140/ton, APAC US\$90/ton.
- 2050: Japan, Europe, and Americas. US\$250/ton, APAC US\$200/ton.

Note 2: Estimated impact on profit if all plants located in areas with high level of water stress have restriction on water withdrawal. Aqueduct 3.0 Country Rankings developed by World Resources Institute and Water Risk Filter 6.0 developed by World Wide Fund for Nature (WWF) are used for assessing water stress level of areas where our plants are located in. (Exchange rate as US\$1 = JPY145)

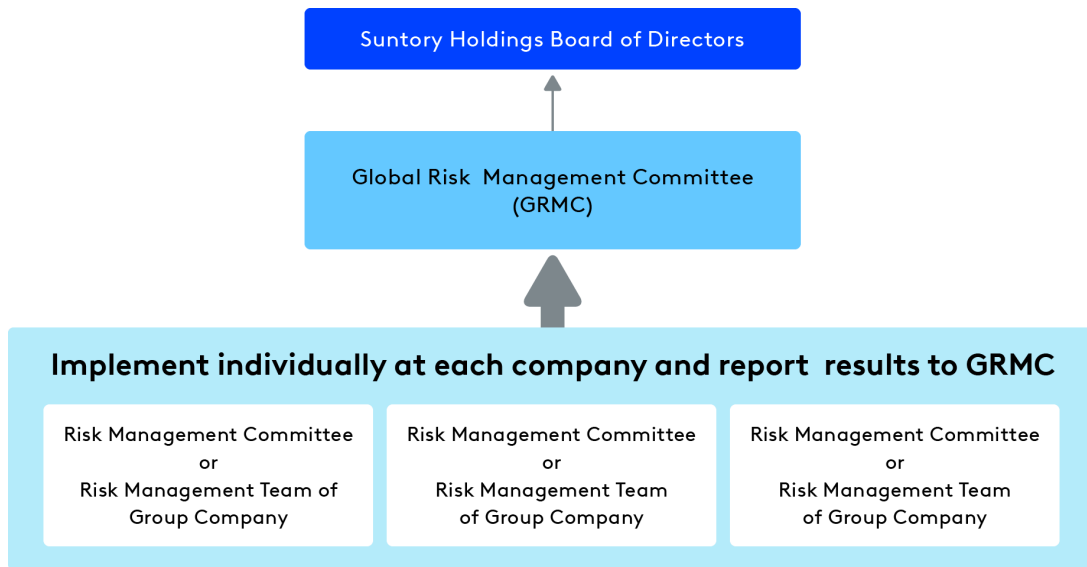
We aim to resilient by considering both scenarios and taking strategic approach toward the above actualized risks and opportunities. We have been focusing on identifying water supply risks, proper management of water, water resource cultivation activities, and other water sustainability activities but are considering risks related to raw material procurement and other aspects. In addition, in order to reduce GHG emissions throughout the value chain, from raw material procurement to manufacturing, distribution, sales, and recycling, we set challenges for each department and take action. For opportunities, we are expanding product portfolio of beverages with ingredients which are recommended by the Ministry of Environment of Japan as products addressing climate change. We believe that continuing and enhancing water resource cultivation activities, "Mizuiku" - Natural Water Education Program and other activities related to water as well as sharing information about Suntory Group's approach to water to the public will raise are brand value and lead to increased sales. In terms of resource efficiency, we are actively promoting recycle of plastic bottles.

3. Risk Management

We define risk as current and future uncertainties that may affect the execution of business strategy and the achievement of business objectives. Through the Global Risk Management Committee (GRMC) and the risk management committees and risk management teams established at each group company, we identify and

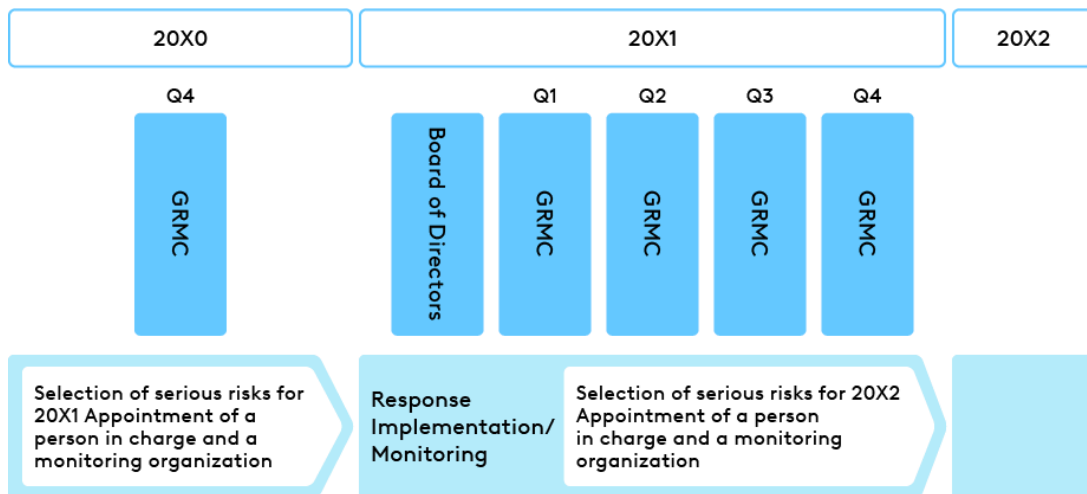
evaluate climate change and other important risks for the entire group and identify risks that should be prioritized for our company, consider countermeasures, and reviewing them on an annual basis.

Risk Management System



Approach to Managing Identified Risks

For the identified risks that should be prioritized, a person in charge and a monitoring organization will be appointed to implement the risk countermeasures. The response status is reported and discussed by the Global Risk Management Committee (GRMC), and the PDCA cycle of extraction, evaluation, countermeasures, and monitoring is carried out by selecting important risks for the next fiscal year based on the response results.



4. Indicators and Targets

Regarding climate change and water, which are expected to have a large impact on business, Suntory Group has established "Environmental Targets toward 2030" as the medium-term targets with 2030 as the target year and "Environmental Vision toward 2050" as the long-term vision with 2050 as the target year, and are moving ahead with initiatives.

Environmental Vision toward 2050



Water Sustainability

- Reduce the water intensity of production at our owned plants*¹ by **50%***² globally.
- Replenish more than 100% of water used at all of our owned plants globally through conservation of the surrounding ecosystem.
- Achieve sustainable water use for all key ingredients.
- Share the Sustainable Water Philosophy to the communities where our business operates.



Climate Change Measures

- Aim for net **zero** greenhouse gas emissions across the whole value chain by 2050

Continue to promote energy conservation, proactively implement renewable energy solutions, utilize next-generation infrastructure options and work together with stakeholders across the value chain in order to contribute to realizing a decarbonized society



Environmental Targets toward 2030



Reduction of water used in direct operation

Reduce the water intensity of production at our owned plants*¹ by **35%***² globally. In addition, explore reduction of absolute amount of water withdrawn in highly water stressed areas



Water replenishment

Replenish more than **100%** of water used in at least 50% of our owned plants*¹ globally, including all those in highly water stressed areas, through local water source conservation efforts.



Sustainable water use in raw ingredients

Collaborate with suppliers to improve water-use efficiency in the production of water-intensive key ingredients*³ in highly water stressed areas.



Water education and access to safe water

Expand water education programs and initiatives to provide safe water access for more than **1 million people**.

Greenhouse gas (GHG)

- Reduce GHG emissions from our direct operations by **50%***⁴
- Reduce GHG emissions across our entire value chain by **30%***⁴



*1 Suntory Group plants that manufactures finished products

*2 Reduction per unit production based on the business fields in 2015

*3 Coffee, barley, grapes

*4 Based on emissions in 2019

Water

To achieve the 2030 target, Suntory Group is globally promoting various water-related initiatives such as activities to conserve and restore the natural environment. We started the Natural Water Sanctuary Initiative to cultivate water resources in forests in 2003. Now we have 23 Suntory Natural Water Sanctuaries in 16 prefectures which cover a total area of more than 12,000 hectares and supply more than twice the amount of water used by our plants in Japan. In 2023, we received the highest level of certification—Platinum—from the Alliance for Water Stewardship, an internationally prestigious organization that promotes water conservation and stewardship (responsible management of water resources). Four Suntory Group plants currently hold AWS certification.

Climate Action

Suntory Group has switched purchased electricity to 100% renewable in all our 63 manufacturing sites and R&D facilities in Japan, the Americas and Europe by 2022. In addition, we introduced internal carbon pricing to from 2021 and plan to invest a total of approximately 100 billion yen by 2030 to promote decarbonization. The company estimates that these actions together will amount to a reduction of approximately 1 million tons of greenhouse gas (GHG) emissions in its direct operations compared to a business-as-usual projection for 2030. In addition, in 2022 Suntory Group signed a basic agreement with Yamanashi Prefecture to realize an environmentally harmonious and sustainable society, with the aim to introduce, by 2025, a 16-megawatt Yamanashi Model Power-to-Gas (P2G) System. This will become Japan's largest facility for green hydrogen production, and will be located at the Suntory Minami Alps Hakushu Water Plant and Suntory Hakushu Distillery. With this system, Suntory plans to convert the heat energy used at the plants to green hydrogen, as well as study and collaborate with the prefecture regarding the use of green hydrogen in the area.

For GHG-related measures, we are reducing Scope 3 emissions through strengthening recycling of plastic bottles as well as starting project on regenerative agriculture. We have also approached raw ingredient suppliers to kick start collaborations.

2023 Progress



Water Sustainability

Reduction of water used in direct operation

- Reduced the water intensity of production by **28%** compared to 2015.

Water replenishment

- Water resource cultivation activities implemented in **41%** of all owned plants globally.

Sustainable water use in raw ingredients

- As an initiative on barley production through regenerative agriculture, we began working with our malt suppliers to verify the improvement of water use efficiency by improving soil water retention.
- Started building a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.

Water education and access to safe water

- Total **1,070,000** people
Water education program:
710,000 people
Provision of safe water:
360,000 people



Climate Change Measures

Greenhouse gas (GHG)

- Direct operations
24% reduction compared to 2019
- **7.8%** reduction compared to 2019

➤ For more information on specific indices for achieving the target, [Environmental Targets toward 2030 and Environmental Vision toward 2050](#), please visit here.

➤ For more information on results of GHG emissions, please visit here.

Packaging & Resource Efficiency

▾ Policies and Our Approach

▾ Promoting Structure

▾ Targets and Progress

▾ Our Initiatives

Policies and Our Approach

To build a recycling-oriented society, Suntory Group will promote problem-solving efforts together with various stakeholders. Each employee of Suntory will work on taking responsible action to solve problems and take the initiative in bringing about a sustainable society.

Containers and packaging protect and preserve the quality of products until they reach customers. However, most end up becoming post-consumer waste.

Suntory Group recognizes the social and environmental impacts that containers and packaging cause and established voluntary "Guidelines for the Environmental Design of Containers and Packaging" in 1997. Designs are made following the Guideline such as selecting material for labels and color of glass bottles that consider recycling. In addition, we are engaging in initiatives from the stand point of Life Cycle Assessment (LCA) to reduce environmental impact of containers and packaging.

3Rs of Containers and Packaging

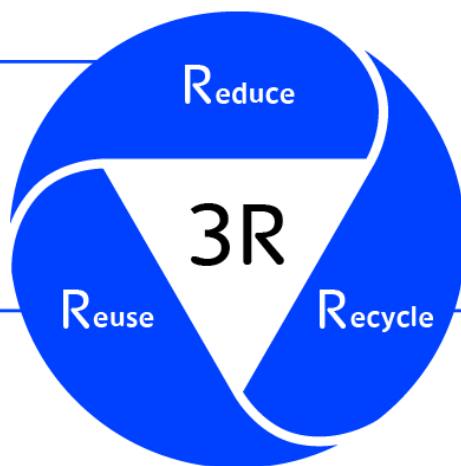
Suntory Group works to develop containers and packaging that give consideration to the environment, based on the 3Rs of "Reduce, Reuse, and Recycle." We work on reducing the weight, using materials with less environmental impact, and designing packaging that is easy to recycle, while taking into consideration usability from the time customers drink the product to the time it is recycled. We also work in collaboration with various recycling organizations and local governments to promote recycling.

Reduce the Amount Used

We are coming up with ways to reduce the amount of materials used in containers, by, for example, making them lighter, to better value our resources.

Use Over Again

We are reusing containers such as beer bottles and casks, as well as on-premise non-alcoholic beverage bottles.



Use as a Resource

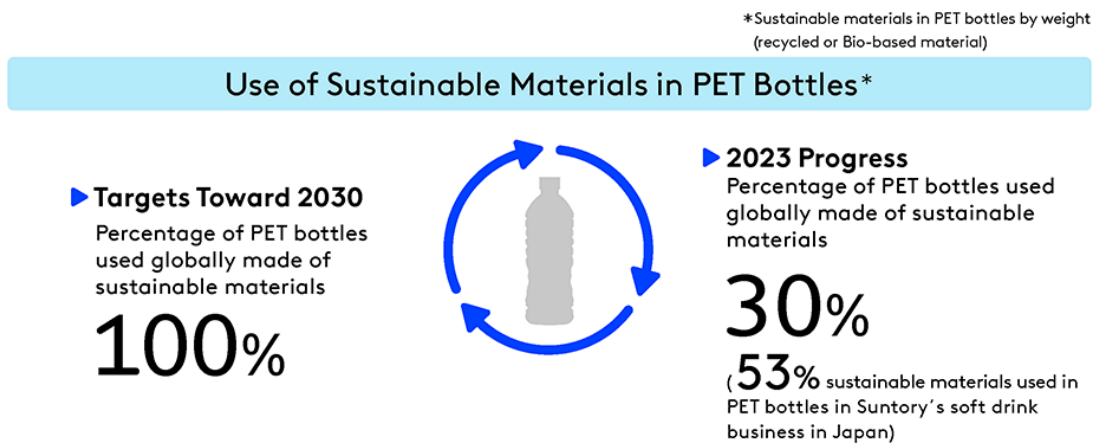
We are actively using recycled materials. We are also incorporating processes and designs to make it easier to recycle.

Promoting Structure

Global Sustainability Committee

To promote sustainability management, the Global Sustainability Committee (GSC) acts as an advisory committee to the Board of Directors. The Group's sustainability strategies and the progress on priority themes (water, GHG, containers and packaging, raw ingredients, health, human rights and enriching life) are discussed in the GSC under the lead of the Chief Sustainability Officer.

Targets and Progress



Our Initiatives

Initiatives for Plastic

Plastic products have enriched our lives through their usefulness. On the other hand, the environmental impact caused by improper handling of used plastics has become a social problem. In Japan, the Ministry of the Environment has formulated the "Plastic Resource Recycling Strategy" as a strategy to comprehensively promote resource recycling while recognizing the convenience of plastic products.

Suntory Group also formulated the Plastic Policy in 2019 in order to strongly lead the transformation to a recycling-oriented and decarbonized society. Based on this policy, we aim to achieve 100% sustainable bottle by using only recycled or bio-based material for all our PET bottles used globally by 2030 and eliminating the use of virgin petroleum-based materials.

Suntory Group Plastic Policy

Expressing gratitude toward the Blessings of Nature that are the source of Suntory's products, Suntory Group will provide strong leadership for transforming into a recycling-oriented and zero carbon society to bring about a world where diverse animal and plant life shines and resonates. With its diversity in usage and convenience, plastic has made our lives easier.

The plastic containers and packaging we use serve a useful function, but to prevent them from having a negative impact on the global environment, we will promote problem-solving efforts together with various stakeholders. Each employee of Suntory will work on taking responsible action to solve problems and take the initiative in bringing about a sustainable society.

1. Recycle & Renewable:

- (1) Aim to switch all the PET bottles used globally for Suntory products to be made of recycled or bio-based material by 2030, achieving zero use of virgin petroleum-based materials.
- (2) Actively work and collaborate with government agencies, industry, environmental non-governmental and non-profit organizations for the measures necessary to develop an efficient recycling system based on the situation of each country where we do business.

2. Reduce & Replacement:

Reduce the amount of plastic used by changing the design of containers and packaging and look for the introduction of alternative containers that do not negatively impact the environment in order to effectively utilize resources.

3. Innovation:

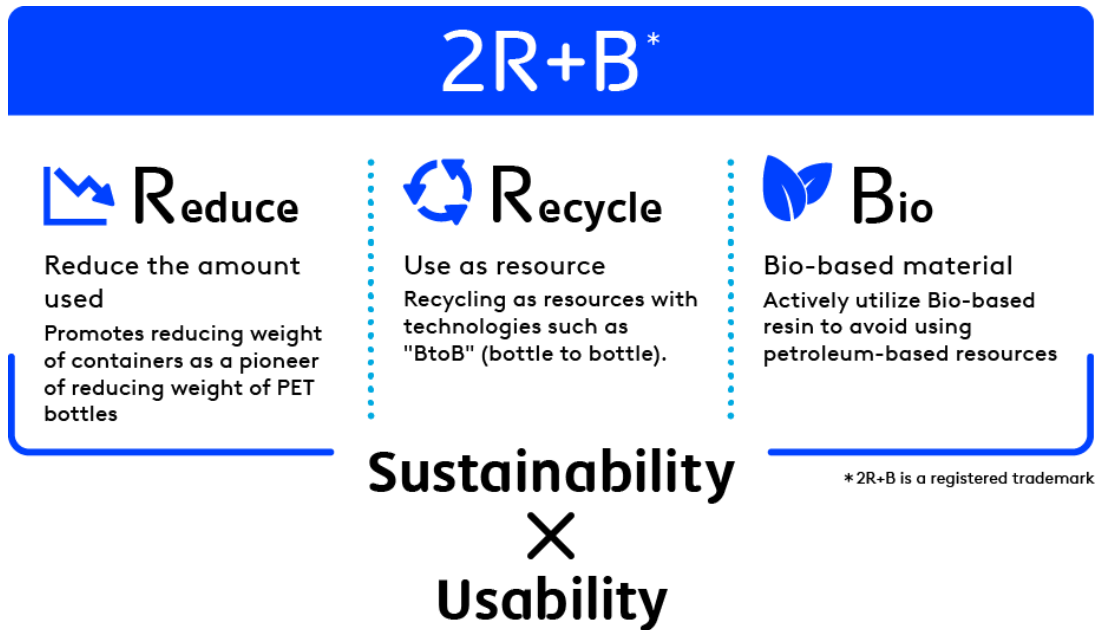
Actively invest in innovation for materials and processes that improve the recycling rate and minimize environmental impact.

4. New Behavior :

Promote activities that drive change in consumer behavior. Each Suntory employee will work to change their lifestyle, promote sorting and collection, and actively participate in social contribution activities such as cleaning up rivers and beaches.

2R+B Strategy

In regards to PET bottle containers, we are taking action based on the 2R+B (Reduce/Recycle + Bio) strategy, which is unique to Suntory. The concept is to replace fossil-fuel-derived materials with renewable materials to the extent possible, while reducing the use of resin and using recycled materials in development to achieve thorough and effective use of resources.



Reduce: Lightweighting

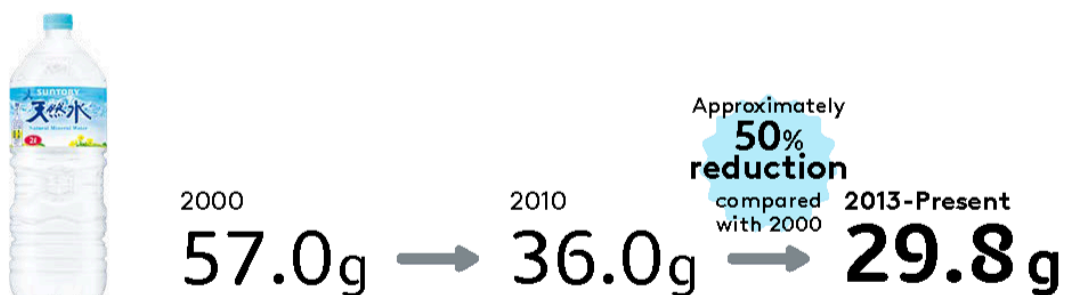
For approximately 20 years now, Suntory Group has been working to make PET bottles as well as their caps and labels lighter and thinner. We are aiming to effectively use resources while maintaining and improving bottle quality (maintaining beverage quality and ease of bottle use) while drinking.

Change in Weight of 550-mL Suntory Tennensui PET Bottles*¹



¹ 500-mL capacity through 2009

Change in Weight of 2-L Suntory Tennensui PET Bottles



➤ For more information, see “Reduce: Lightweighting”

♻️ Recycle: Recycling PET Bottles

Suntory Group engages in “bottle to bottle” horizontal recycling, where used PET bottles are turned into new ones.

Starting with introducing the Japanese soft drink industry’s first PET bottles using 100% recycled materials*¹ in 2012, we have continued to advance “bottle to bottle” horizontal recycling, including development of the world’s first F-to-P direct recycling technology², which has lower CO₂ emissions compared with conventional recycling methods.

*1 Mechanical recycling

*1 Joint development among four companies including Kyoei Sangyo Co., Ltd



➤ For more information, see “Recycle: ‘Bottle to Bottle’ Horizontal Recycling”

🌿 Bio: PET Bottles Using Bio-based Material

We have set Suntory Group target of switching all products to using 100% sustainable PET bottles (made of recycled or Bio-based material) by 2030. Prioritizing environmentally friendly “bottle to bottle” horizontal recycling, we are aiming to achieve Sustainable society by repeatedly recycling PET bottles as a resource. Meanwhile, there are needs in the soft drink industry as a whole to provide new resources to make up for some PET bottles being recycled for other purposes as well as the growth of the PET bottle beverage market. In response, in addition to “bottle to bottle” horizontal recycling, we are also working to develop PET bottles using Bio-based material.

In 2013, we launched a 550-mL PET bottle for Suntory Tennensui natural mineral water that uses 30% plant-derived material[†]. In 2023 we also launched a 2L PET bottle using 30% plant-derived material.

* Excluding some products for vending machines



Current PET bottle (using 30% plant-derived material) (left)
PET bottle using 100% plant-derived material (right)

Suntory Holdings Ltd. and Anellotech, Inc., a green innovation and technology company in the United States, are working on collaborative development of a PET bottle that uses 100% plant-derived material. Construction began in 2016 on a development and testing plant to produce PET bottle materials in the state of Texas, and testing of the technology for commercialization was completed in 2019. We have achieved to produce paraxylene, a precursor of terephthalic acid that constitutes 70% of PET bottle materials, exclusively from inedible plant-derived material (woodchips) that does not affect the supply chain of materials for food use. We successfully created a PET bottle made from 100% plant-derived material using this technology in December 2021. This marks a breakthrough in commercializing PET bottles made from 100% plant-derived material that do not affect the supply chain of materials for food use.

Cooperation with Stakeholders

Establishment of R Plus Japan to Work on the Recycling of Used Plastics

12 companies (including Suntory) within the plastics supply chain established R Plus Japan Ltd., a joint venture company focused on the recycling of used plastics. As of April 2024, the number of participating companies has expanded to 44, and together with Anellotech, we are developing technologies to recycle used plastics. Many types of plastic apart from PET bottles are reportedly incinerated[†] in Japan at present. This technology enables plastics including PET bottles to be chemically recycled by directly turning such plastics into base chemicals (benzene, toluene, xylene, ethylene, propylene and other chemicals). It requires fewer treatment processes compared to other chemical recycling that requires liquefaction and is anticipated to reduce CO₂ emissions and energy use. Establishing this technology will allow more used plastic to be recycled efficiently.

RPlus Japan Corporation aims to contribute to the solution of the plastics problem, which is common worldwide, through collaboration across industries, in addition to technological development and its implementation in society.

* Includes thermal recovery (heat utilization), in which heat generated during incineration is recovered and utilized for power generation and heat supply



➤ For more information, see the website of R Plus Japan [↗](#)

Social Activities

Suntory employees strive to change their lifestyle, promote sorting and collection, and actively participate in social contribution activities such as cleaning up rivers and beaches.

In September 2022, Suntory PepsiCo Vietnam Beverages in Vietnam conducted a beach cleanup near Hanoi in cooperation with Ocean Conservancy, a global marine nature conservation organization, with more than 150 participants, including employees and their families.



Alliance Membership

Joined the Clean Ocean Materials Alliance (CLOMA)

Suntory Group has been a member of CLOMA, a public-private alliance established in January 2019 at the call of the Ministry of Economy, Trade and Industry, since its inception. Through this alliance, we will strongly cooperate with government agencies and industries to develop and promote alternative materials for plastics, and aim to build an efficient recycling system that meets the needs of each country through information dissemination and technical consulting services to overseas countries.

Joined the Global Plastic Action Partnership (GPAP)

In November 2019, Suntory Group joined the Global Plastic Action Partnership (GPAP), a global alliance dedicated to solving environmental challenges caused by plastics. The GPAP is a global alliance for a circular economy of plastics, created by a public-private partnership based on the World Economic Forum with the aim of solving environmental challenges caused by plastics. Its members include the governments of the United Kingdom and Canada, as well as a wide range of businesses, investors, experts, NGOs, and other citizen organizations. In addition to sharing information and best practices at the global level, it also engages in community-based project activities at the local level.

WWF Japan's Plastic Circular Challenge 2025

In February 2022, Suntory Group joined the Plastic Circular Challenge 2025 organized by WWF Japan (World Wide Fund for Nature Japan) with the aim of realizing a sustainable society.

The Plastic Circular Challenge 2025 is a framework for companies to respond to WWF Japan's call for action to solve the problems of plastics. Participating companies have set a milestone year of 2025 as their commitment to containers and packaging and single-use plastics, and will promote activities based on a "Sustainable Circular Economy" approach.

Cans/Bottles/Barrels/Paper Packaging/Cardboard

Reduce: Lightweighting

Lightweighting in Cans

We are furthering the lightweighting in cans such as those used for beer and coffee by aiming to dramatically reduce the amount of resources that are used while maintaining the usability for customers.

We have conducted initiatives for aluminum cans that include shrinking the diameter of the lid of beer cans in 2008 and the bodies of aluminum cans containing low-alcoholic beverages such as beer and Chu-Hi in 2014. In addition, the promotion of even more lightweighting is underway with the introduction of thinner bodies even in steel cans for coffee.



Boss Rainbow Mountain Blend
The Premium Malt's
-196°C Chu-Hi Strong Zero <Double Lemon>

Lightweighting in Glass Bottles

The medium-sized glass bottle for The Premium Malt's has achieved weight savings of roughly 10 g to 460 g in 2014. The thickness of the body section that the label is adhered has been designed 0.2 to 0.3 millimeters thinner to prevent damage by bumping into other bottles. We are also improving the shape of the bottle so it does not get damaged when opening the bottle with cap opener and other improvements in the quality of the bottle.



The Premium Malt's medium glass bottle

Reducing the Weight of Cardboard

To reduce our environmental impact, we are using short flap cardboard cartons in cooperation with the industry, beginning with using them for beverages in small PET bottles since the spring of 2012. Through this, we have reduced the use of paper by about 20% compared to conventional cardboard cartons. Short flap cardboard cartons have been used for beer and RTD products since 2019.



Short flap cardboard cartons that reduce cardboard usage on its sides

Reuse: Promoting Collection and Reuse of Containers

Reusing Glass Bottles and Barrels

Returnable containers (bottles, barrels) for beers and non-alcoholic beverages for restaurants are used often and we collect them via our own route and wash them for repeated use. Furthermore, we support the collection of glass bottles that are disposed of by liquor stores and restaurants through building collection routes in the distribution channel by specialized business operators since 1974.

One-way bottles are collected through effective sorting and collection routes by municipalities and other organizations.

Recycle: Promote recycling of containers

The World's First 100% Recycled Aluminum Can

Suntory Spirits Ltd. (Suntory) launched the world's first 100% recycled aluminum can^{*1} in its limited editions of The Premium Malt's CO₂ Reduction Can (350 mL, 5.5% ABV) and The Premium Malt's 〈Kaoru〉 Ale CO₂ Reduction Can (350 mL, 6%

ABV) in September 2022. This first of its kind 100% recycled aluminum can*1 was jointly developed by UACJ Corporation and Toyo Seikan Group Holdings, Ltd. and emits 60% less CO₂ compared to when creating a regular aluminum can*2.

*1 First as a commercialized SOT (Stay on Tabs) can which uses only recycled aluminum derived from canned materials (based on research by Toyo Seikan Group and UACJ, as of July 2022)

*2 350 mL beverage aluminum can produced by Toyo Seikan using UACJ aluminum material



Shifting to Recycled Paper Containers

Paper containers were introduced for shochu and spirits in April 2010 and for wines in February 2014. Approximately 90% of the containers for alcoholic beverages have been changed to more recyclable paper containers*.

We have been using containers with evaporated aluminum on its inside for preserving quality but it was difficult to separate paper and aluminum when recycling. The new paper container implements vapor deposition of non-aluminum transparent material to improve ease of recycling.

* As of April 2024



Suntory Umeshu
Delica Maison

Use of Green Aluminum*1 Can

On January 11, 2024 Suntory Spirits Ltd. (Suntory) introduced Green Aluminum*1 in its limited edition of The Premium Malt's (350ml, 5.5% ABV).

The Green Aluminum used in this product has been designed and produced in a joint effort among four other companies from different fields; Sumitomo Corporation, Sumisho Metalex Corporation, Kobe Steel, Ltd. and Daiwa Can Company. The Green Aluminum was allocated using a mass balance*2 method, which reduces CO₂ emissions by 25%*3 compared to conventional aluminum cans*4.

*1 Aluminum produced using renewable energy sources with reduced CO₂ emissions

*2 Under the mass balance approach, for a product manufactured by mixing a material that has a specific characteristic with those without that characteristic, the characteristic can be allocated to a part of the output of the product in proportion to the amount of the material with the characteristic used in the production process.

*3 Verified and validated from a third-party impartial and neutral standpoint by DNV Business Assurance Japan K.K.

*4 350ml beverage aluminum cans published in the Japan Aluminum Association Beverage Aluminum Can Inventory Survey Report (July 2023)



The Premium Malt's 350ml

Use of FSC®-Certified Cardboard

Suntory Group is gradually adopting paper packaging materials that have obtained FSC certification*, which ensures proper management of international forests, for products made in Japan. We introduced FSC-certified cardboard packaging for Suntory Tennensui natural mineral water products manufactured after August 2017. Since 2018, we have switched to FSC-certified cardboard for the packaging of all Suntory Tennensui brand products. We are promoting the use of FSC-certified paper packaging materials throughout Suntory Group, with the phased adoption of these materials for the cardboard cartons of non-alcoholic and alcoholic beverage products and for the packaging of six-can packs.



* Forest Stewardship Council (FSC) is an international organization that certifies timber produced from forests globally as well as the distribution and manufacturing processes of the cut timber. This certification considers the environmental conservation of these forests and recognizes timber produced in an economical and sustainable manner which generates revenue for the local community.

Overview of Waste Management

Promoting Waste Reduction and Recycling

As part of our efforts toward establishing a recycling-oriented society, we are working to reduce emissions of by-products and waste and to achieve 100% recycling. Suntory Beverage & Food Europe has set the target of zero waste from its factories and is engaging in waste-reduction and recycling activities. With the target of reducing food waste from products by 50%, it is donating surplus products to charitable organizations to support people struggling with poverty as part of its efforts to achieve this target.

By-products and Waste Generation Performance

Area	Amount of discharge (thousand tons)		
	2020	2021	2022
Japan	228	218	230
Americas	156	410	541
Europe	95	119	144
Asia	32	30	54
Oceania	7	7	6
Africa	0	0	-
Total	518	783	975★

* Data covers 27 production plants in Japan and 62 production plants overseas.

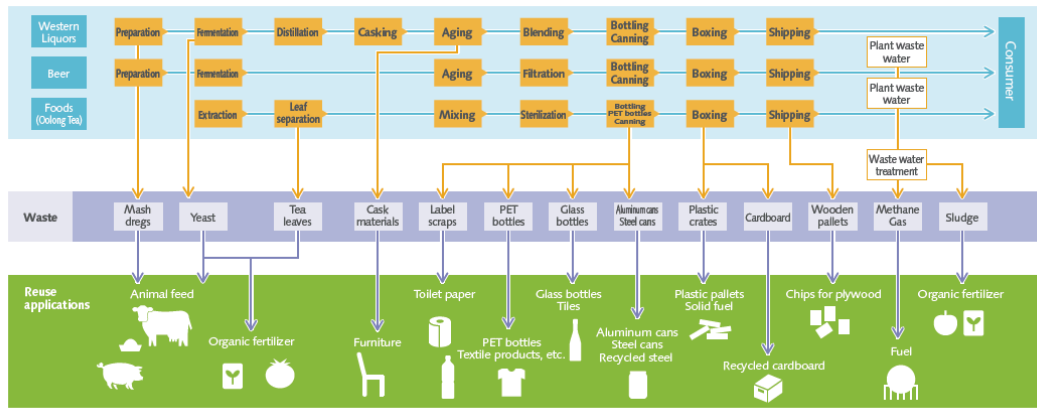
* The increase in emissions in the Americas is due to the addition of waste and by-products to be included from FY2021. The amount of the waste and by-products increased by 238 thousand tons due to the addition.

* Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured numerical values are indicated with ★.

[Independent assurance report](#) 

Recycling Rate of Japanese Plants and Flow for reuse of by-products and waste generated in each production process

	2020	2021	2022
Amount of discharge (thousand ton)	228	218	230
Amount recycled (thousand ton)	228	217	230
recycling rate (%)	100.0	99.7	100.0



By-products and Waste Generation, Recycling Rate and the Purpose of Use for Recycled Products

Type of waste	Main Purpose of Use	2020		2021		2022	
		Generation (t)	Recycling Rate (%)	Generation (t)	Recycling Rate (%)	Generation (t)	Recycling Rate (%)
Vegetable (glycation, tea, coffee dregs, etc.)	- Animal feed - Fertilizer	164,185	100	158,823	100	167,855	100
Sludge (excess sludge, etc.)	- Fertilizer	30,275	100	27,337	100	28,396	100
Wood waste (cask, palletes)	- Animal feed - Fertilizer	5,186	100	5,267	100	3,658	100
Glass and ceramic scrap	- Glass materials - Base course material	2,285	100	1,337	100	1,172	100
Paper scraps (cardboards, paper labels, etc.)	- Recycled paper - Cardboard materials	5,520	100	5,398	100	5,735	100
Plastic	- Palette - Solid fuel - Supplementary fuel	6,033	100	5,796	100	5,810	100
Metal scraps (aluminum, steel)	- Aluminum - Steel ingredients	3,314	100	3,506	100	3,123	100
Other		11,558	100	9,731	100	13,979	100
Total		228,355	100	217,925	100	229,728	100.0

* Data covers 27 production plants in Japan

Applications of Recycled Materials

We are furthering resource recycling for the by-products and waste produced by Suntory Group in various applications.



Barrel cabinet



Dining Set "TARURU"



Drink sampling tray made from barrel

Products in the line-up of "Suntory Barrel Story" created from whiskey cask materials that have fulfilled their distillery role

➤ [For more information, see "Suntory Barrel Story" ↗](#)

Building a Recycling Circulation Cycle for Food Waste – Izutsu Maisen Co., Ltd.

Izutsu Maisen Co., Ltd. is actively working to reduce and reuse food waste so as not to waste the precious gifts of nature. One predominate initiative is the setup of a recycling circulation cycle for the crusts of bread. Izutsu Maisen cuts off the crusts of the bread when they make their popular fried Pork fillet cutlet sandwiches. These bread crusts are generally given to business operators who are able to recycle them as feed, but Izutsu Maisen launched their original Amai-Yuwaku pork brand that raises pigs on this feed in 2012 because the crusts are suitable as feed. This is an initiative that uses the bread crusts once again in a cycle as a raw material such as in the pork cutlets once.



Original Amai-Yuwaku pork brand

Reduce: Lightweighting

Lightweighting of PET Bottles

The 550-mL Suntory Tennensui natural mineral water PET bottle (excluding products for vending machines) was developed by Suntory and is the lightest such bottle made in Japan* (11.9 g).

The bottle design reduces the use of fossil-fuel-derived materials by approximately 40% per bottle compared with conventional bottles (13.5 g). For the 2-L version, we were the first in Japan to achieve a 2-L bottle of less than 30 g by reducing the weight by approximately 20% to 29.8 g per bottle from conventional bottles (36.2 g).

* PET bottles for mineral water (500 mL to 600 mL) in Japan. As of April 2023



Change in Weight of 550-mL Suntory Tennensui PET Bottles*¹



*1 500-mL capacity through 2009

Change in Weight of 2-L Suntory Tennensui PET Bottles



Thinnest Roll Label*¹ for PET Bottle Beverages in Japan

We are reducing the weight of product labels on PET bottles to reduce their environmental impact. We achieved the thinnest PET bottle roll label in Japan at 16 micrometers (μm^2) in 2012. We launched an even thinner label of 12 μm for the 2-L and 550-mL PET bottles of the Suntory Tennensui natural mineral water in April 2014. Thereafter, we have been extending the label to all of our products that use roll labels. This has allowed us to reduce CO₂ emissions by 25%*³ compared to the existing (16 μm) labels.

*1 Labels that peel off from the glued area instead of peeling off at the perforations

*2 1/1,000 mm

*3 Reduction rate in the film (label) manufacturing process



12 μm thick roll label, thinnest in Japan

Introduction of water-based flexographic printing and water-developed flexo plates to reduce CO₂ emissions during label manufacturing

Suntory is advancing the switch to water-based flexographic printing for the manufacturing of labels for a wide range of products, including "Suntory Green Tea Iyemon," "Suntory Natural Water," "Suntory Oolong Tea," "GREEN DA·KA·RA," and "GREEN DA·KA·RA Barley Tea," reducing CO₂ emissions during label production by more than half compared to traditional oil-based gravure printing. Moreover, in 2024, the water-developed flexo plates, which can reduce CO₂

emissions by about 30% during label plate production, were introduced for the first time^{*1} in the domestic beverage industry for the labels of “Suntory Natural Water” 550ml PET bottles manufactured at the Suntory Kyushu Kumamoto Plant.

*1: Based on our research

Lightest PET Bottle Caps in Japan

We are also reducing our environmental impact for the bottle caps on PET bottles. Since September 2016, we have adopted 1.85-g bottle caps, which are the lightest in Japan^{*1} and use 30% plant-derived material, for the Suntory Minami-Alps Tennensui natural mineral water. This innovation reduces the use of fossil-fuel-derived material by 35%^{*2} and decreases CO₂ emissions by 27% compared to conventional PET bottle caps.

In addition, in March 2019 we introduced polyethylene caps^{*3} made of 100% plant-derived ethylene on a limited basis for the 550-mL Suntory Aso Tennensui natural mineral water, which is manufactured at our Kyushu Kumamoto Plant.

*1 As of April 2024

*2 Per bottle of the Suntory Tennensui natural mineral water (550 mL)

*3 Polyethylene caps with 100% plant-derived ethylene as the main raw material. Excluding trace amounts of fossil-fuel-derived components and colorant components at the time of production line changeover.

Adopting Technology to PET Bottle for Spirits Products

We are taking great advantage of the technology cultivated in our soft drink business in our spirits business. Suntory Spirits Ltd. has launched the 4-L PET bottle weighing 110 g, which is the lightest in Japan, to whisky products such as Kakubin, Torys and other alcoholic products starting from June 2016. By making it up to 18% lighter than the conventional 134 g or 120 g, the use of PET resin is reduced, resulting in an annual CO₂ emissions reduction of approximately 460 tons (17%)^{*}. We have also removed the grip used on conventional PET bottles and adopted a new deep grip section in the center of the bottle for ease of use in collaboration with the PET bottle manufacturer.

* Based on our calculations



Old 4-L PET bottle and new lightweight 4-L PET bottle

Development of World's Lightest* Heat-resistant PET Bottle in Southeast Asia Leveraging Japanese Technological Capabilities

The Japanese manufacturing technology and design capabilities for reducing weight of PET bottles have been used in Group companies in Europe and Asia. In 2020, we succeeded in developing the world's lightest* PET bottle weighing 15 g in heat-resistant filled containers that also pursue functionality, versatility, and design. This heat-resistant PET bottle utilizes technology that prevents deformation of the bottle by dropping nitrogen to create positive pressure.

We have introduced this bottle to Suntory PepsiCo Beverage (Thailand) and Suntory PepsiCo Vietnam Beverage (Vietnam). We also have started using 100% recycled materials for these bottles from 2023.

* In the 450-mL class of heat-resistant PET bottles (as of April 2024, according to our own research)



Lightest Heat-Resistant Bottle with Liquid Nitrogen Injection in Southeast Asia

PET Bottle Self-Manufacturing Technology at Suntory Global Spirits

Suntory Global Spirits has been introducing its first bottle self-manufacturing technology for 1.75-L spirits since 2017. This self-manufacturing process has enabled weight reduction of bottles by 14%. Transporting preforms instead of bottles has greatly improved efficiency in transport, contributing to the reduction of environmental impact.

We introduced even lighter bottles in 2023, and reduced the bottle weight by approximately 26% compared to the weight before the 2017 self-manufacturing project. We are also considering using the self-manufactured bottle technology obtained through this initiative to further expand to other capacities, such as 100 mL to 1 L.

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Recycle: Promote “Bottle to Bottle” Horizontal Recycling

Initiatives in Japan

“Bottle to Bottle” Horizontal Recycling

“Bottle to bottle” horizontal recycling refers to recycling used PET bottles into new ones. PET bottles are resources that can be recycled many times, which can help reduce the use of fossil-fuel-derived materials and CO₂ emissions. “Bottle to bottle” horizontal recycling through mechanical recycling* is the recycling method with the least environmental impact (CO₂ emissions in processes from raw materials procurement to PET preform production). In 2011, Suntory was the first company in the Japanese beverage industry to establish this technology, and has continued promoting “bottle to bottle” horizontal recycling since then.

* Mechanical recycling: A method in which recycled resin obtained by material recycling (used products are processed by crushing, washing, and made into raw materials for products again) is further processed under high temperature and reduced pressure for a certain period of time to remove impurities in the recycled material and make PET resin of suitable quality for beverage containers.



History of Efforts to Create 100% Sustainable PET Bottles

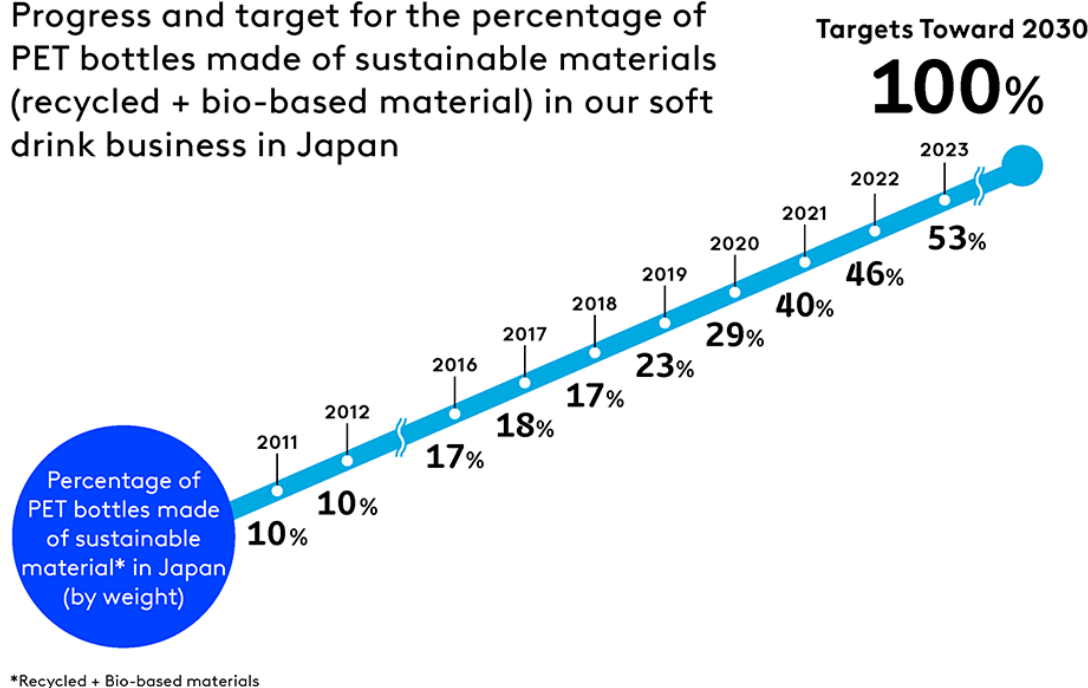
Toward realization of a sustainable society, we have led the industry in recycling used PET bottles into beverage PET bottles together with cooperating companies for more than 10 years. In cooperation with Kyoei Sangyo Co., Ltd., in 2011 we built the first “bottle to bottle” horizontal recycling system in the Japanese beverage industry. Starting with launching the first PET bottle made of 100% recycled material^{*1} in the Japanese soft drink industry in 2012, we have made technological innovations over these many years, including development of the world’s first F-to-P direct recycling technology^{*2} to reduce CO₂ emissions more than conventional technology, and have proactively commercialized and promoted “bottle to bottle” horizontal recycling.

In 2019, we established Suntory Group Plastic Policy. In it, we set the 2030 target of using 100% sustainable PET bottles globally by using only recycled or bio-based material with zero use of virgin fossil-fuel-derived materials and are conducting various activities toward this target. In 2023, we expanded use of sustainable PET bottles (using only recycled or bio-based material) in our soft drink business in Japan to 53% of all PET bottles Group-wide by weight.

*1 Mechanical recycling

*2 Joint development among four companies including Kyoei Sangyo Co., Ltd.

Progress and target for the percentage of PET bottles made of sustainable materials (recycled + bio-based material) in our soft drink business in Japan



Promoting Horizontal Recycling with Local Governments and Corporations

With the aim of realizing a recycling-oriented society, Suntory Group has been working on “bottle to bottle” horizontal recycling, in which used PET bottles are recycled into new PET bottles, in cooperation with local governments and companies.

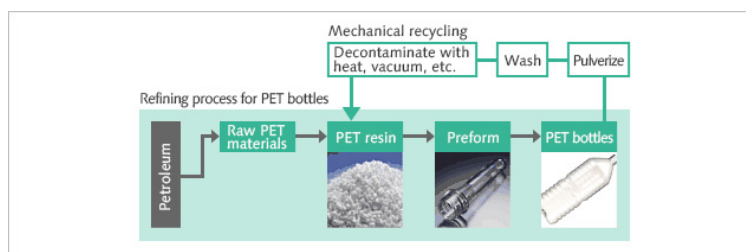
We have concluded similar agreements with distribution companies and commercial facilities to recycle used PET bottles collected at stores and other locations into Suntory beverage bottles through “bottle to bottle” horizontal recycling and hold consumer awareness events.

Also, by concluding an agreement on “bottle to bottle” horizontal recycling with local governments, we will recycle PET bottles discharged by residents as resources into new PET bottles for Suntory beverages. In addition, educational classes on PET bottle recycling are held at elementary and junior high schools in municipalities with which we have concluded agreements.

Development of the “Bottle to Bottle” Horizontal Recycling System

In 2011, in collaboration with Suntory Beverage & Food Ltd. and Kyoei Sangyo Co., Ltd., we built the first “bottle to bottle” mechanical recycling system^{*1} for PET bottles in the Japanese beverage industry. In addition, we published a joint assessment^{*2} on the safety of recycled PET bottles in 2012.

This system received Commendation for Contributors to the Development of a Recycling-oriented Society in 2011 and 2012, and Commendation for Global Warming Prevention (Technological Development and Commercialization Category) in 2011 both from the Minister of the Environment, and Nikkei Global Environmental Technology Excellence Award in 2011 for the first time in the food industry. We also received the 21st Global Environment Award in 2012 and Environmental Excellence Award hosted by the Hitachi Environment Foundation and the Nikkan Kogyo Shimbun, Ltd. in 2013.



The recycled PET bottles produced by mechanical recycling take on a color during the process, but they have no quality issues and safety issues. The mechanical recycling system have highest cost efficiency and lowest environmental impact^{*3} (CO₂ emissions from raw material procurement to preform manufacturing) among PET bottle recycling systems adopted in Japan.

*1 Mechanical recycling system: A method in which recycled resin obtained through material recycling (where used PET bottles are crushed, washed and otherwise processed into materials to make more PET bottles) is further processed under high temperature and reduced pressure for a certain period of time to remove impurities in the recycled material and make PET resin of suitable quality for beverage containers.

*2 Japanese Journal of Food Chemistry and Safety, Vol. 19 (1), 2012, pp. 7–13

*3 Based on our research

Adoption of F-to-P direct recycling technology

In 2017, as part of our recycling efforts, we collaborated with Kyoei Sangyo Co., Ltd. and overseas machinery manufacturers (EREMA in Austria and SIPA in Italy) to develop F-to-P direct recycling technology which is expected to further reduce environmental impact. We began production in the fall of 2018. F-to-P direct recycling technology is a technology that can directly manufacture preforms after melting and filtering flakes made from collected PET bottles that have been crushed and washed at high temperatures.

The F-to-P direct recycling technology can reduce CO₂ emissions by 70%* compared with virgin PET bottles made of fossil-fuel-derived material. (Current mechanical recycling can reduce CO₂ emissions by 60%*.)

* Processes from used PET bottles to the preform production



Products that use F-to-P direct recycling technology

Active Implementation of Recycled PET Bottles within the Group

To achieve the 2030 fully sustainable PET bottle goal, we are promoting implementation of recycled PET bottles globally.

In Japan, we have introduced PET bottles made of 100% recycled PET bottles for GREEN DA-KA-RA Yasashii Mugicha (680 mL, 600 mL) and Yasashii Rooibos (600ml). In addition, we use 100% recycled PET bottles for many of our products, including Craft Boss and Iyemon.

We have adopted the logo mark “Bottles are resources! Towards a Sustainable Bottle” on all PET bottled products* to communicate to consumers that PET bottles are a resource that can be recycled many times. Apart from the soft drink business in Japan, we also use 100% recycled PET bottles for 720-mL wine products in Japan. We will continue to accelerate these efforts Group-wide.

* Excluding label-less products



Yasashii Mugicha 680ml
Yasashii Rooibos 600ml
Delica Maison Red 720ml PET bottle



Logo “Bottles are resources!
Towards a Sustainable Bottle”

“Bottle to Bottle” Horizontal Recycling Progress Through Packaging Improvements

“Label-free” PET bottle products do not have the plastic label wrap found on conventional PET bottle products. This provides greater user convenience from not having to remove the label. We believe that giving customers a more convenient sorting experience for recycling will help encourage “bottle to bottle” horizontal recycling that turns used PET bottles into new ones. We introduced label-free bottles in 2020 and have adopted them in flagship products including for the Suntory Tennensui natural mineral water, CRAFT BOSS and Iyemon brands.



We developed a new 2-L PET bottle for the Suntory Tennensui natural mineral water that is easy to fold into a size about one-sixth its original shape when empty and launched it in April 2023. This new bottle resolves some dissatisfaction in the home with empty PET bottles, namely how the bottles pop back to their original shape after being crushed and how they take up space until collection day. The new bottle is also expected to help create higher-quality recycling for PET bottles by making it easier for consumers to sort PET bottles without having to remove their cap or label.



Awareness-raising Activities for Horizontal Recycling

Suntory Group has been working to promote understanding of horizontal recycling initiatives and sorted collection of PET bottles through seminars outside the company to help realize a sustainable society. In 2021, we signed an agreement with Waseda University on the realization of a resource-recycling society, and we are also making efforts for the next generation.

At elementary and junior high schools in municipalities with which we have concluded “bottle to bottle” agreements, we conduct educational classes on the significance of horizontal “bottle to bottle” recycling and how to correctly sort PET bottles, providing an opportunity for students to think about recycling and resource circularity. At companies with which we have concluded these agreements, we also hold educational seminars for employees and events for their families.



Communication with Consumers

Since 2022, we have released a communication campaign in Japanese using a cat cartoon character to highlight simple, ordinary things that people do without even thinking that are in fact sustainable practices. We are also proactively communicating with consumers and raising awareness for sustainability in other ways, including holding “PET bottle post” events based on the concept of having as many people as possible think of PET bottles not as garbage but as a resource, and of recycling bins not as garbage bins but as something more like postal boxes that “deliver” the resource to the next person.



Communication campaign



PET bottle post

Promoting Horizontal Recycling Through Industry Cooperation

From the fall of 2022, we will start deploying recycling boxes with industry-standard specifications for outdoor areas where there is a lot of contamination.

New recycling boxes with innovations such as a downward-facing insertion slot have been shown to reduce the amount of foreign matter put into them. This improves the quality of collected PET bottles and contributes to “bottle to bottle” horizontal recycling. Using recycling boxes with industry-standard specifications will improve efficiency for vending machine operators and recycling processes and promote PET bottle resource circularity.

➤ [For more information, see Japan Soft Drink Association](#) 



Initiatives outside Japan

Introducing Recycled PET Bottles Overseas

Suntory Beverage & Food Europe brand Ribena was the first soft drinks brand in the UK to use a 100% PET bottle made from recycled plastic in 2007. The company has been increasing its use of recycled plastic—in 2021 this included the introduction of 100% recycled PET in May Tea and Pulco in France. In 2022, Suntory Beverage & Food Europe has started 100% recycled PET bottles in its Lucozade Sport brand in the UK and Ireland.

Suntory Beverage & Food Asia Pacific, with its main operations in Vietnam and Thailand, is also strengthening its efforts to promote recycling. It introduced the company's first 100% recycled PET bottles in Vietnam in 2022, and in Thailand in 2023.



100% sustainable Ribena bottle

Development of New Technology to Drive Horizontal Recycling

Suntory Beverage & Food Europe (SBFE) is participating in a consortium with green biotech company Carbios. In June 2021, the consortium successfully developed the world's first PET bottle of food-grade quality made from chemical recycling using enzymatic technology*. A prototype was made for SBFE's Orangina brand, and a Japanese technical team helped test aspects of the prototype that Carbios was not able to, including the safety and ease of manufacturing the bottle. In September 2021, Carbios opened its first demonstration plant with the goal of launching commercial plant operations in 2025. This innovative technology breaks down polyethylene terephthalate (PET) into its building blocks using a special enzyme that only breaks down PET plastic to create the raw materials of PET bottles that can then be reused. This technology is anticipated to enable recycling of PET bottles that are not properly sorted and color PET bottles that are commonly used in Europe to the quality level of virgin PET bottles.

* Based on our research

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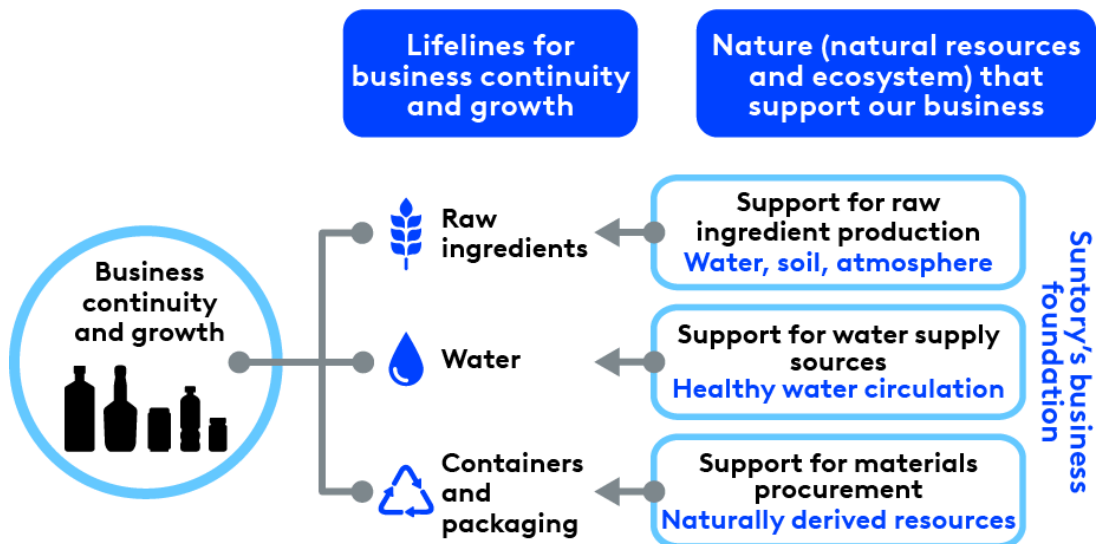
Biodiversity

- ▼ Our Policy and Approach
- ▼ Promoting Structure
- ▼ Our Initiatives

Our Policy and Approach

The nature and its ecosystem - forests nurtured by water, rivers, oceans, atmosphere and living creatures - are the valuable management foundation of Suntory Group's business. As a company whose products rely on blessings of nature, we strive to protect nature and its ecosystem at the source of our water and ingredients through water source conservation, bird conservation activities, and a shift to sustainable agricultural practices.

The nature and its ecosystem - forests nurtured by water, rivers, oceans, atmosphere and living creatures - are the foundation of the Suntory Group's business.



► For more information on Suntory's Environmental Principles, Environmental Vision toward 2050, and Environmental Targets toward 2030, see Environmental Management.

Disclosure Based on TNFD Recommendations

For promoting to set science-based targets for nature and activities to achieve them, Suntory Group is participating in the program run by the Science Based Targets Network (SBTN) for piloting the target validation process in accordance with the SBTN guidance released in May 2023, being the only Japanese company among the 17 piloting companies.

We have started pilot disclosure of the Taskforce on Nature-related Financial Disclosures (TNFD) based on assessments and progress made in the SBTN validation pilot.

► For more information, see Disclosures Based on TNFD Recommendations

Promoting Structure

Global Sustainability Committee (GSC)

To promote sustainability management, the Global Sustainability Committee (GSC) acts as an advisory committee to the Board of Directors. The Group's sustainability strategies and the progress on priority themes (water, climate change, containers and packaging, raw ingredients, health, human rights and enriching life) are discussed in the GSC under the lead of the Chief Sustainability Officer.

➤ For more information on the Global Sustainability Committee, see Environmental Management.

Initiatives

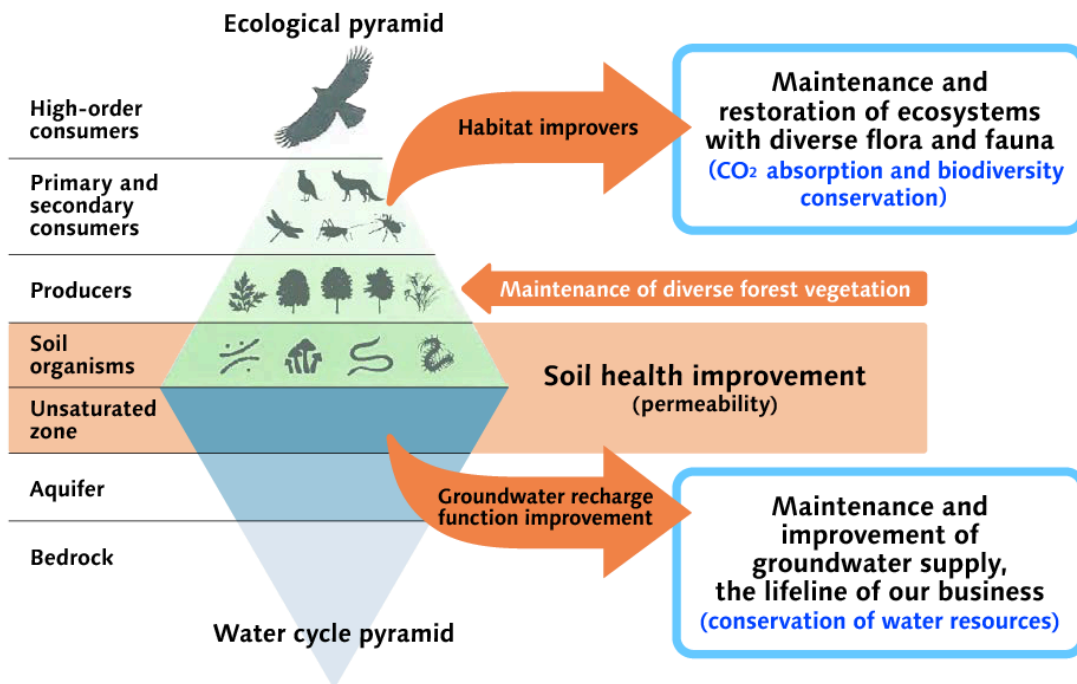
Water Sustainability

Suntory Natural Water Sanctuary

To preserve the integrity and sustainability of groundwater, Suntory Group has been cultivating forests in the watersheds around our plants as sanctuaries to nurture groundwater. These forests recharge more than twice the amount of water withdrawn by our plants in Japan.

Forests that nurture pristine groundwater are also rich in biodiversity. When the forest ecosystem is restored, the flora and fauna also begin to thrive in new ways. The Suntory Natural Water Sanctuary is managed systematically through continuous monitoring of the ecosystem, which includes plants, birds, and other wildlife. Considering how wild birds are a barometer of environmental health, we have experts conduct a wild bird survey every year to furnish a broader understanding of the changes taking place in the entire supporting ecosystem.

At Natural Water Sanctuaries in Japan, we are carrying out an Eagle and Hawk Chick-Rearing Support Project to support the nesting and breeding of birds of prey, which are at the top of the ecological pyramid. The aim is to continue maintaining forests rich in biodiversity from the perspective of protecting birds.



30by30 Alliance for Biodiversity

In April 2022, Suntory Group joined the 30by30 Alliance for Biodiversity. The alliance is formed as a voluntary coalition of local governments, companies, and NPOs to conserve or protect at least 30% of Japan's land and

sea areas by 2030 to halt loss and restore biodiversity. Its objective is to promote and to actively communicate the initiative to expand Japan's national parks and to register socio-ecological production landscapes (satochi-satoyama) and company-owned forests in the World Database as OECMs^{*}.

Six of Suntory Group's Natural Water Sanctuaries receives approval to be certified as OECM.

The six Suntory Natural Water Sanctuary sites certified as OECM are:


- 1. Hyogo Nishiwaki-Monryusan (Nishiwaki City, Hyogo) 
- 2. Tokyo Akigawa (Akiruno City, Tokyo) 
- 3. Shizuoka Oyama (Oyama Town, Shizuoka) 
- 4. Nikko Kirifuri (Nikko City, Tochigi) 
- 5. Ohmi (Hino Town, Shiga) 
- 6. Akagi (Shibukawa city, Maebashi city, Gunma) 



* OECM stands for "Other Effective area-based Conservation Measures." OECMs are areas conserved at the initiative of private organizations or areas where the conservation of nature is achieved mainly as a by-product of other management.

Publication of a biodiversity report

The "Suntory Natural Water Sanctuary Biodiversity Restoration Report" was issued in September 2022. The report is structured into two parts—a "Facts & Data" section that summarizes various issues facing Japanese forests and an "Actions" section which provides simple explanations and examples of activities taken to address these issues in the Suntory Natural Water Sanctuary.

- [Download the Suntory Natural Water Sanctuary Biodiversity Restoration Report](#) 
- [For more information on the Suntory Natural Water Sanctuary, see Natural Water Sanctuary.](#)



Suntory's Peatland Water Sanctuary Initiative in Scotland

Suntory Group acknowledges the immeasurable amount of learning it has received from Scotland and scotch whisky, which has been utilized in the production of whisky in Japan. Today, Suntory owns several distilleries in Scotland, including the Bowmore and Laphroaig distilleries. In Scotland, whisky is often made with water that flows through moorlands, and the peat accumulated on the moorlands plays an important role in flavoring the malt, the raw material for whisky. Suntory's Peatland Water Sanctuary initiative started in November 2022 to protect these peatlands and conserve watersheds at various locations in Scotland. The initial peatland restoration project was begun on nearly 15ha near the Ardmore distillery in partnership with Forestry and Land Scotland, which owns the land, and the James Hutton Institute, which is assisting with the research, planning, and execution of the restoration. Restoration activities subsequently began on Islay and in northern Scotland, where peat was mined for scotch in the past, and in nature reserves in Airds Moss and the Oa, activities were launched in collaboration with the Royal Society for the Protection of Birds of Scotland. Additional activities are expected to launch, and Suntory Group aims to have restored sufficient peatlands by 2040 to equate to twice the volume of peat that Suntory Group harvests to make its scotch whiskies. The work will have a long-term positive impact on water retention and quality, and will also support carbon sequestration and biodiversity in Scotland's natural environment.



Recovery work has raised the water table of this peatland, and restoration of marshland vegetation is progressing



Ardmore Distillery

Raw Ingredients

As a beneficiary of nature's bounty, Suntory Group is committed to preserving biodiversity in the raw ingredient crops it uses for raw ingredients. Suntory Beverage & Food Great Britain and Ireland has been providing blackcurrant farmers with sustainable farming support since 2004. The company has established a biodiversity roadmap tailored to each farm and its surrounding habitat and is promoting ecosystem conservation for rivers and wetlands. In 2022, the company has shared the results from its Farm Stewardship Programme which aims to boost biodiversity on blackcurrant farms across the UK. Other efforts within the Group include adopting regenerative agriculture methods that help improve soil organism diversity such as the use of mulching at vineyards and start of pilot program for sourcing barley produced using regenerative agriculture practices.

- [Download the Farm Stewardship Programme Report](#) 
- [For more information, see Sustainable Procurement](#) .



Cover crops



Vineyard with grass mulch at Suntory Tominooka Winery

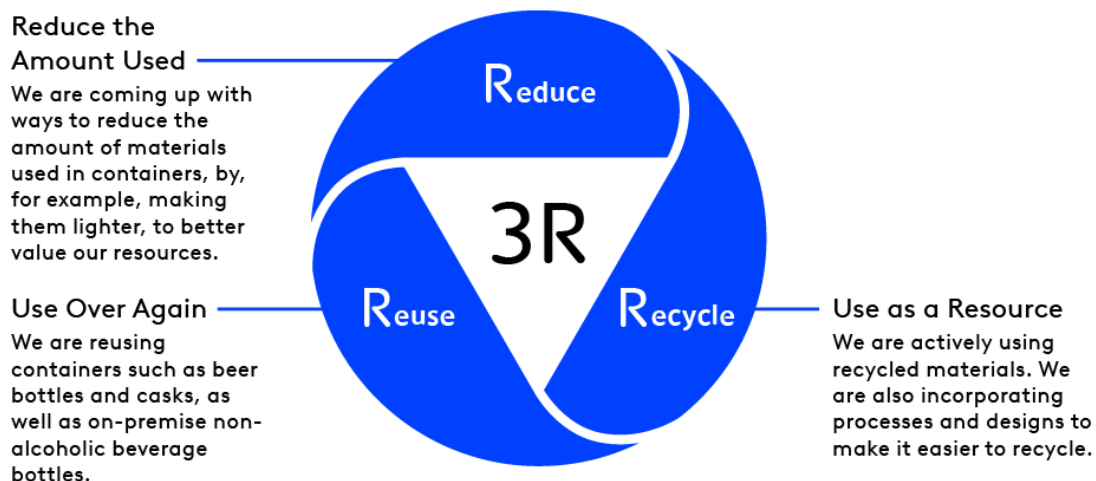


Farm Stewardship Programme Report

Containers and Packaging

In addition to ecological efforts in water and crops, Suntory Group aims to make effective use of limited natural resources by promoting the 3Rs (reduce, reuse, recycle), employing renewable resources, collaborating with diverse stakeholders to build efficient recycling systems, and working to reduce the environmental impact of our products throughout their lifecycles.

In regard to PET bottles specifically, Suntory Group has a unique 2R+B (Reduce/Recycle + Bio) strategy. We are pursuing the efficient use of resources by developing bottles with reduced resin content and enhanced use of bio-based materials and thereby replacing petroleum-derived materials with renewable materials as far as possible.



Concept of 3Rs in Containers and Packaging

2R+B*

Reduce

Reduce the amount used
Promotes reducing weight of containers as a pioneer of reducing weight of PET bottles

Recycle

Use as resource
Recycling as resources with technologies such as "BtoB" (bottle to bottle).

Bio

Bio-based material
Actively utilize Bio-based resin to avoid using petroleum-based resources

Sustainability × Usability

*2R+B is a registered trademark

2R+B Strategy

➤ For more information, see [Packaging & Resource Efficiency](#) .

Bird Conservation

Recognizing that wild birds are barometers of the environment, Suntory has advocated that protecting birds leads to protecting human beings and the natural environment and started its bird conservation activities in 1973. The company established the Suntory Fund for Bird Conservation in 1989 to promote environmental conservation by providing grants to various bird conservation activities. The Fund has granted a total of approximately 700 million Japanese yen to a total of 517 organizations as of 2024.



First Save the Birds!
Campaign newspaper ad



➤ For more information, see [Bird Conservation Activities](#) .

Bird Conservation Activities

Wild birds are said to be parameters of natural environment. This is because birds have wings and fly away when the environment deteriorates and return when it improves. Suntory Group, which is taking advantage of the rich blessings of nature, is committed to "Today Birds, Tomorrow Humans - Happiness that happens to birds today may make tomorrow's humans happy. Understanding that the wild bird protection is linked to the protection of humans and the natural environment, we began our involvement in bird conservation activities in 1973.

History of Suntory Bird Conservation Activities

Year of activity	Content
1973	<ul style="list-style-type: none"> - Start of Save the Birds! Campaign (May) - The first publication of a newspaper ad with an illustration of wild birds (received Asahi Advertising Award) - Established a bird sanctuary in the Hakushu Distillery (Yamanashi prefecture)
1989	<ul style="list-style-type: none"> - Foundation of the Suntory Fund for Bird Conservation
1990	<ul style="list-style-type: none"> - The 1st Fund Granting Ceremony of the public trust, Suntory Fund for Bird Conservation
1993	<ul style="list-style-type: none"> - Start of the Save 1000 Albatrosses! Campaign
2006	<ul style="list-style-type: none"> - Newly established Grant for Community Bird Activities to the Suntory Fund for Bird Conservation
2014	<ul style="list-style-type: none"> - Newly established Grant for Riparian Large Bird Conservation to the Suntory Fund for Bird Conservation
2016	<ul style="list-style-type: none"> - Received the Wood Pencil at the D&AD Awards 2016, the ADC Award at the 2016 ADC Awards and the monetary prize at the Design for Asia Awards (DFAA) for the Line of Life Project to build kites of birds with children in the hopes of returning storks to a habitat where they can live normally
2018	<ul style="list-style-type: none"> - Relevant businesses certified under Japan Committee for the United Nations Decade on Biodiversity (UNDB-J)
2021	<ul style="list-style-type: none"> - Supported "eBird Japan," the Japanese version of "eBird," the world's largest bird observation database.
2024	<ul style="list-style-type: none"> - The 35th Fund Granting Ceremony of the public trust, Suntory Fund for Bird Conservation (Total of ¥704.5 million from the 1st to 35st fund granting have been made to 517 organizations)



1st Save the Birds!
Campaign newspaper ad



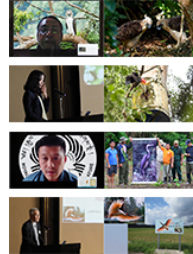
The Suntory Fund for Bird Conservation

As one of the activities commemorating the 90th anniversary of our founding, we enhanced bird conservation activities with the establishment of the Suntory Fund for Bird Conservation in 1989. As this initiative is designated to promote global environmental conservation through the protection of wild birds, funds are granted for bird protection activities both in Japan and overseas.

Over the 35 years since becoming a charitable trust in 1990, the Foundation has granted total of ¥704.5 million to 517 organizations up to 2024, making great achievements. The 2020 presentation ceremony was cancelled to avoid the risk of new coronavirus (Covid-19) infection; the 2021 and 2022 ceremonies were held online; In 2023, we also began connecting online with various locations and holding hybrid presentation ceremonies.



The 35th Fund Granting Ceremony of Public Trust Suntory Fund for Bird Conservation



Presentations on conservation activities from Japanese and international (online participation) grantees



The members of the "Grants for Community Bird Activities" category

The Hakushu Distillery Bird Sanctuary

We started bird conservation activities in 1973, and in the same year, as the first private company, we opened a wild bird sanctuary in the Hakushu Distillery in Yamanashi Prefecture.

Surrounded by rich forests and many clear streams, the Hakushu Distillery is a relay point of migration for wild birds. In the bird sanctuary, Suntory periodically conducts bird research with the advice of experts and uses the data as one of the guidelines for creating a better environment for birds and other living creatures.

> The Hakushu Distillery Bird Sanctuary



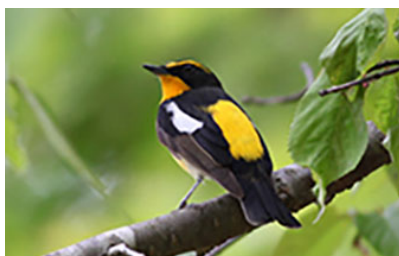
Blue-and-white Flycatcher



Ural Owl



Red-flanked Bluetail



Narcissus Flycatcher



Hanging boxes in the Bird Sanctuary

Communication

We are putting out a broad range of information through our websites and other tools to familiarize more people with these wild birds. On the Japanese Bird Encyclopedia website, anyone can enjoy learning about over 200 species of wild birds through illustrations with explanations, bird calls, and pictures.

The portal site "eBird Japan" (operated by Cornell University Lab of Ornithology and the Wild Bird Society of Japan), which provides access to the world's largest bird observation database of birdwatchers' records, and the bird identification app Merlin are tools that make it easy to enjoy birdwatching activities in Japan and overseas. Suntory is working to promote the use of these tools as the main sponsor.

We provide leaflets on how to easily distinguish the birds around you to help in bird watching.



Japanese Bird Encyclopedia website



The portal site "eBird Japan" (operated by Cornell University Lab of Ornithology and the Wild Bird Society of Japan)



Save the Birds Activity leaflets

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Disclosure Based on TNFD Recommendations

As a Company Sustained by the Gifts of Nature

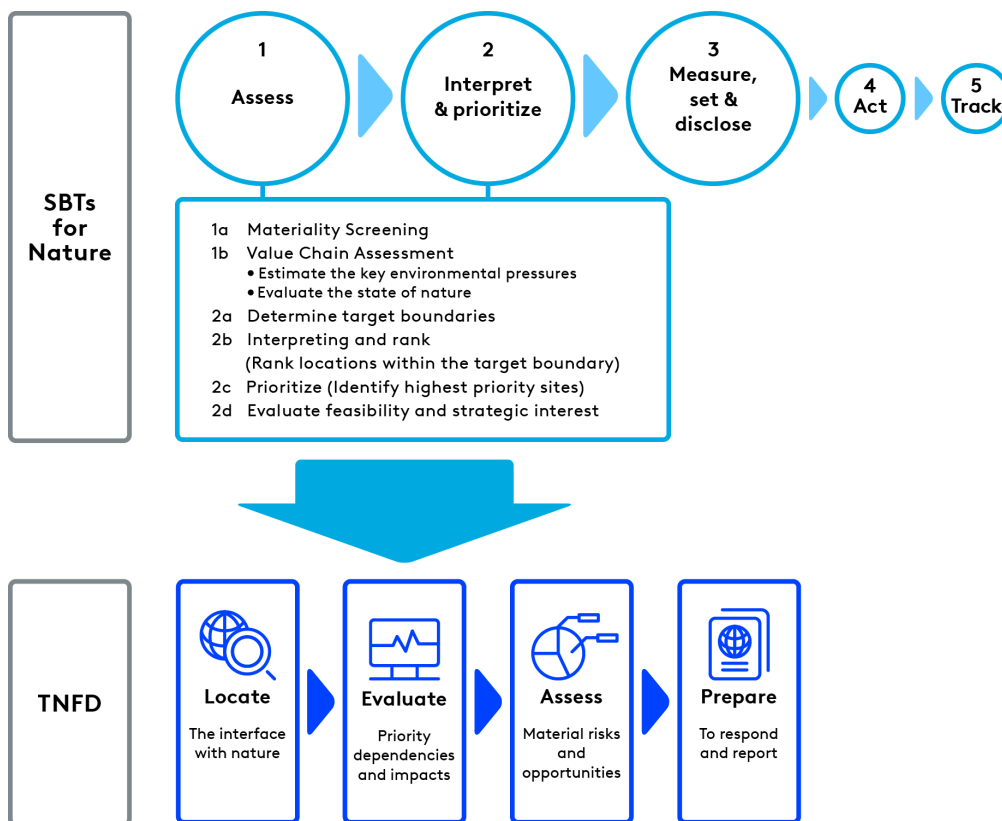
As a company that depends on water and agricultural crops, we believe it is our responsibility to protect the ecosystems where this value originates, including water resources and ingredient production regions. Comprehensive measures are essential to prompt appropriate action-taking for the deeply intertwined crises of climate change, biodiversity and water as a global multifaceted beverage company. For promoting to set science-based targets for nature and activities to achieve them, Suntory Group is participating in the program run by the Science Based Targets Network (SBTN) for piloting the target validation process in accordance with the SBTN guidance released in May 2023, being the only Japanese company among the 17 piloting companies*.

We have started pilot disclosure of the Taskforce on Nature-related Financial Disclosures (TNFD) based on assessments and progress made in the SBTN validation pilot. The TNFD framework uses the LEAP approach, consisting of the steps of Locate, Evaluate, Assess, and Prepare. The steps of Locate and Evaluate used the assessments produced in steps 1 and 2 of the SBTN validation pilot for direct operations and the upstream supply chain. For the Assess step, the direct operations (production sites) of the Alcoholic Beverage Business were assessed based on the findings from the Locate and Evaluate steps. The figure illustrates the relationship between the SBTN and the TNFD approaches.

Based on the progress of the SBTN validation pilot, going forward we will incorporate target setting, further assessment of risks and opportunities, and specific measures into our strategy with the goal of realizing a nature-positive world aligned with science-based global standards.

* In addition to Suntory Group, AB InBev, Bel, Carrefour, Corbion, Alpro (Danone Group), GSK, H&M Group, Hindustan Zinc Limited, Holcim Group, Kering, L'OCCITANE Group, LVMH, Nestlé, Neste Corporation, Tesco, and UPM were also selected

TNFD and SBTN Alignment on Target-Setting



Participation in the Taskforce on Nature-related Financial Disclosures (TNFD) Forum

Suntory Group is participating in the TNFD Forum, a global and multi-disciplinary consultative network of 400 institutional supporters who share the vision and mission of the TNFD and make themselves available to contribute to



1. Governance

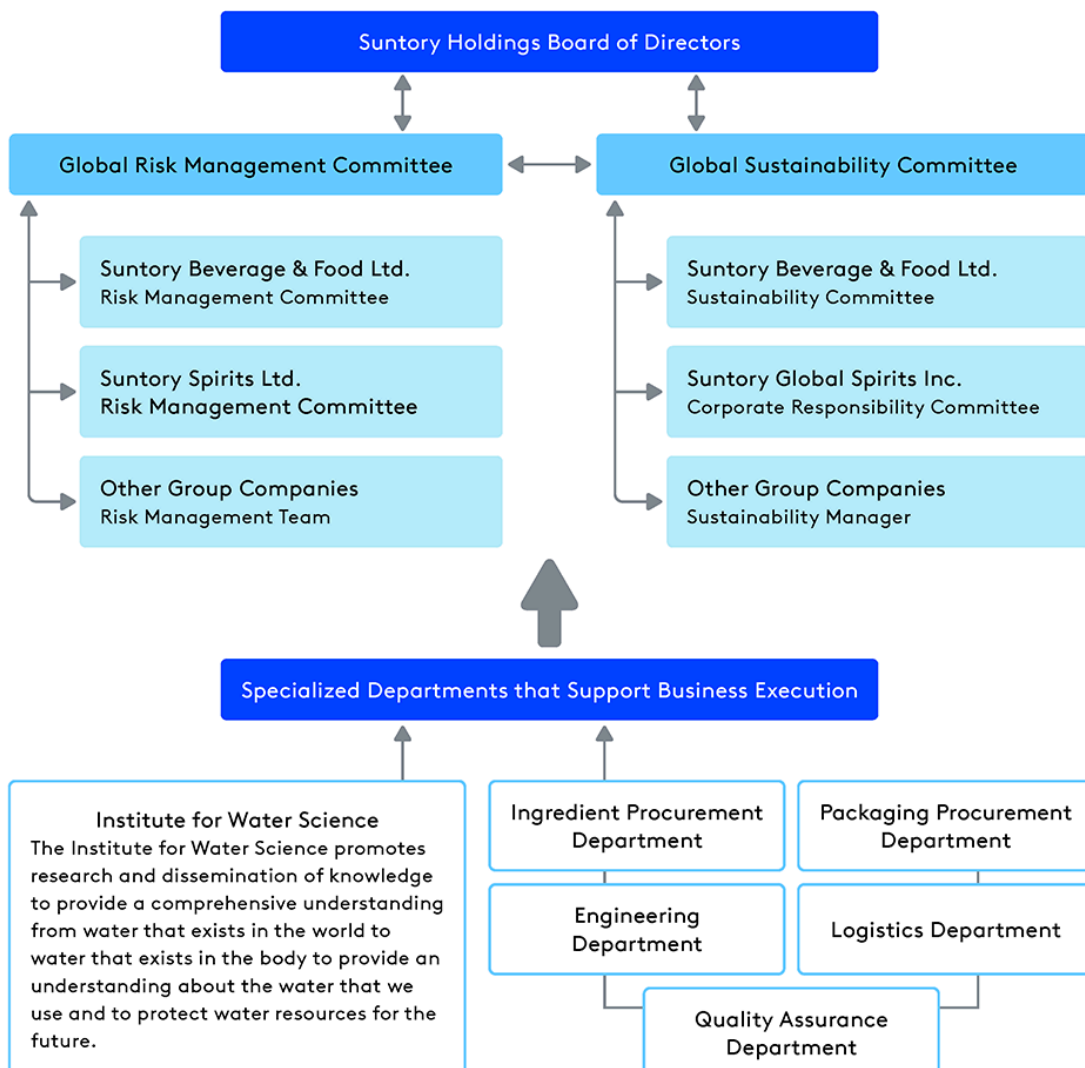
The Global Risk Management Committee (GRMC) conducts Group-wide risk management for Suntory Group. Based on the GRMC, operating companies establish a risk management committee or risk management team (ex.: the Risk Management Committee at Suntory Beverage & Food Ltd. (SBF), the Global Risk & Compliance Committee at Suntory Global Spirits Inc.(SGS) Inc. (BSI), and the Risk Management Teams at Suntory Spirits Ltd. and other operating companies). The GRMC meets four times a year and conducts activities including identifying risks and opportunities across the Suntory Group, implementing countermeasures, and developing the crisis management structure. Problems involving nature, such as those related to water and raw ingredients, are discussed in the GRMC as Group-wide material risks, and the status of addressing them is monitored.

The Global Sustainability Committee (GSC) discusses medium- to long-term strategy related to climate change and the seven themes set forth in the Suntory Group Sustainability Vision, including Water, Raw Ingredients, and Containers and Packaging. Operating companies have also established organizations to discuss strategy and initiatives at a more granular level (ex.: the Sustainability Committee at Suntory Beverage & Food Ltd., the Corporate Responsibility Committee at Suntory Global Spirits Inc.).

The GRMC and the GSC work together on an ongoing basis, and for important matters requiring decision-making, the Board of Directors holds further discussions as well as deliberates on and issues decisions. Reports are also made to the Board of Directors on a quarterly basis regarding strategy and its progress, risks and growth opportunities that involve nature, including those related to climate change. The Board of Directors also regularly sets up opportunities to receive advice on sustainability management, including workshops with the outside experts.

The CEO is responsible for matters involving climate change and nature, and the CSO is responsible for evaluating and managing nature-related risks and opportunities. Sustainability is included in targets set as part of performance evaluations that determine executive compensation and the like.

Organizational Chart



2. Strategy

For direct operations and the upstream supply chain, we assessed the impacts and dependencies on nature of our Group's business and set priorities based on the results. In this assessment, we used the tools and database recommended by the SBTN.

We focused on water use and water pollution as the materiality in the impacts of our business on nature, and then identified priority sites and analyzed risks and opportunities for the direct operations of the Alcoholic Beverage Business on a trial basis.

Impacts and Dependencies on Nature of Our Group's Business

The impacts and dependencies on nature of our Group's business were assessed for direct operations and the upstream supply chain. For direct operations, we selected activity classifications that applied to our business from the International Standard Industrial Classification of All Economic Activities (ISIC), and then categorized and defined the Suntory Group business activities to be assessed. We used the Materiality Screening Tool (MST) developed by the SBTN to gain a comprehensive understanding of the impacts on nature from our business activities. For the upstream supply chain, we used the MST to assess the raw ingredients used in our business. In addition, we identified raw ingredients with particularly significant impacts on nature using the High Impact Commodity List (HICL), which is a list of raw ingredients the SBTN considers as having significant impacts on nature. For dependencies on nature, we used the Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) online tool jointly developed by the Natural Capital Finance Alliance (NCFA) and the UN Environment Programme World Conservation Monitoring Centre (UNEP-WCSC) to gain a comprehensive understanding of the dependencies.

Impacts on Nature

High materiality

Business	Supply chain		Land/Water/Sea use change			Resource Use		Climate change	Pollution				Invasives and Other		
			Terrestrial use	Freshwater use	Marine use	Water use	Other use	GHG emissions	non ghg airpollutants*	Water pollutants	Soil pollutants	Solid waste*	disturbances*	Biological alterations*	
Non-alcoholic beverage	Upstream	cradle													
		processing													
Alcoholic beverages	Direct operations	manufacturing													
		cradle													
Other	Upstream	processing													
		manufacturing													

* As these items are outside the scope of the SBTN, they were not included in the assessment of local conditions, the identification of priority locations and the risk/opportunity assessment.

Dependencies on Nature

High materiality

Business	Supply chain		Direct Physical Input					Enables Production Process					Mitigates Direct Impacts				Protection from Disruption						
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
			Animal-based energy	Fibres and other materials	Genetic materials	Ground water	Surface water	Maintain nursery habitats	Pollination	Soil quality	Ventilation	Water flow maintenance	Water quality	Bio-remediation	Dilution by atmosphere and ecosystems	Filtration	Mediation of sensory impacts	Buffering and attenuation of mass flows	Climate regulation	Disease control	Flood and storm protection	Mass stabilisation and erosion control	Pest control
Non-alcoholic beverage	Upstream	cradle																					
		processing																					
Alcoholic beverages	Direct operations	manufacturing																					
		cradle																					
Other	Upstream	processing																					
		manufacturing																					

For the business activities in our direct operations, water use and water pollutants in wastewater were identified as likely having impacts on nature overall. For business activities in the upstream supply chain (cultivation of barley, corn, sugar cane and other non-perennial crops, poultry rearing, iron ore mining, etc.), land use and land use change, water use, and discharge of water and soil pollutants were identified as likely having impacts on nature overall. Regarding dependencies on

nature, we identified a high degree of dependence on groundwater and surface water in our direct operations. In the upstream supply chain, in addition to groundwater and surface water, we identified a high degree of dependence on pollination services, maintenance of soil fertility and the health of the water cycle, water quality, prevention of soil erosion and pests, and natural processes including those mitigating the impact of natural disasters.

Identification of Priority Sites

As part of identifying priority sites in our direct operations, we prioritized sites in terms of water use and water pollutants. In this prioritization, we ranked each site considering both the Pressure indicators calculated from the water use or the water pollutants in wastewater and State of Nature indicators (the state of water availability or the water pollution that our business is dependent on) as well as the State of Biodiversity. In addition, we assessed the area in a 20-km radius around the site using the Integrated Biodiversity Assessment Tool (IBAT). Of the sites near protected areas or Key Biodiversity Areas, those in the top 10% or in the top 10 of the ranking were identified as priority sites.

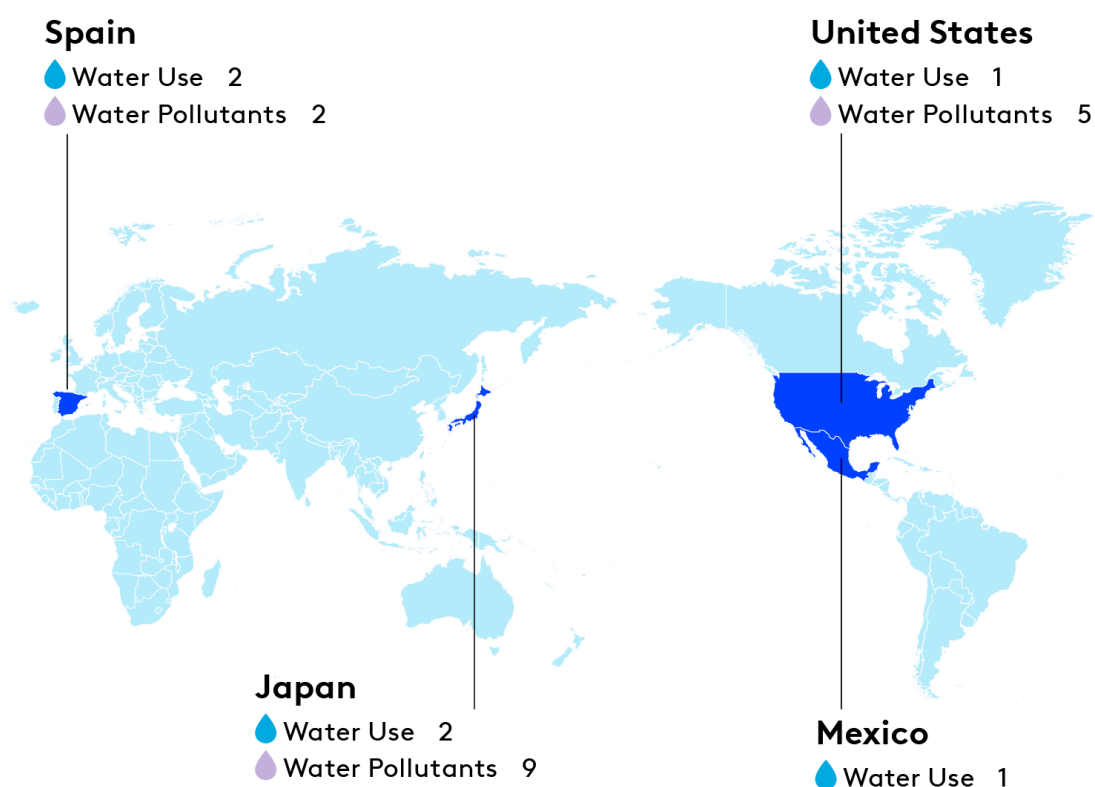
Number of High-Priority Site

* Only production sites selected (not including offices)

Pressure Indicators	Non-Alcoholic Beverage	Alcoholic Beverage Business	Other
Water Use (Surface water use/Ground water use)	13	6	0
Water Pollutants (N&P loading)	—	16	3

Among the Suntory Group businesses, we analyzed risks and opportunities for production sites in the Alcoholic Beverage Business, including sites with a high degree of importance and priority in terms of both water availability and water pollution.

Number of Priority Sites by Region in the Alcoholic Beverage Business



Identification of Risks and Opportunities

Based on the results of identifying priority sites as well as the impacts and dependencies on nature, we conducted a qualitative assessment of risks and opportunities in the Alcoholic Beverage Business using the two axes of risk occurrence potential and impacts on our business.

Risk Analysis Results

1. Identify major risks			2. Impacts of each risk/opportunity on business	
Types of Risk		Risk item	Impacts and/or dependencies	Anticipated impacts on business
Physical risk	Chronic	Risk of deteriorating quality of water intake	Water quality	<ul style="list-style-type: none"> Impacts on product quality from the quality degradation of water, the most important raw ingredient for Suntory Group Increased treatment costs
Transition risk	Reputation	Risk of society deeming company water measures are insufficient, lowering brand value	Water quantity/quality	<ul style="list-style-type: none"> Reduced sales from a more negative company image
	Reputation	Risk of conflict with local residents over water intake and wastewater impacting business	Water quantity/quality	<ul style="list-style-type: none"> Increased costs from additional surveys and facilities investment Impacts on sales and business continuity from impacts on operations

Regarding risks, impacts on product quality and increased treatment costs from quality degradation of water, the most important raw ingredient for Suntory Group, are anticipated. Furthermore, business impacts from lower sales from a more negative company image and conflicts with local residents are also anticipated.

Regarding opportunities, reduced costs related to water intake and wastewater from improvements in water use efficiency are anticipated. Continuing and expanding water source conservation activities and Suntory Mizuiku — Education Program for Nature and Water, as well as externally communicating information on the Suntory Group's approach to water, are expected to improve brand value, leading in turn to increased sales.

3. Risk and Opportunity Management

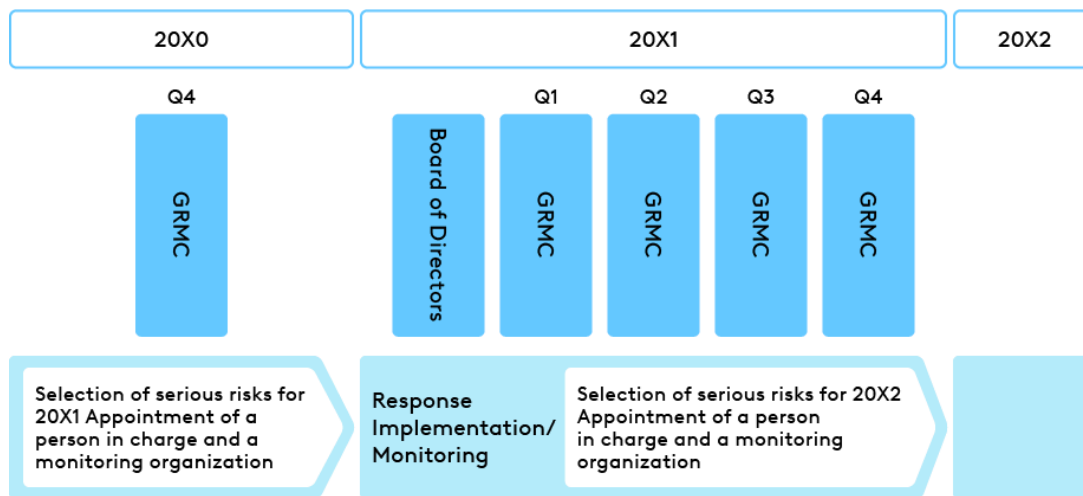
Risk in the Suntory Group is defined as current and future uncertainty with the potential to impact the execution of business strategy and achievement of business targets. Identification of material risks and opportunities as well as their evaluation, including those related to nature such as water resources across the Group, are conducted through the Global Risk Management Committee (GRMC) and the risk management committees and risk management teams established at operating companies. The risks for which Suntory Group needs to prioritize taking action are identified and countermeasures examined, with revisions to them made annually.

Risk Management System



Management Methodology for Identified Risks

For risks whose mitigation is of particularly high priority, the person responsible and the monitoring organization are designated and risk mitigation measures are implemented. The status of risk mitigation is reported to and discussed by the GRMC. The material risks for the following fiscal year are selected based on the results of risk mitigation as part of conducting the PDCA cycle of identification, evaluation, taking action, and monitoring.



4. Targets and Indicators

For climate change and water, which are anticipated to have major impacts on the Suntory Group's business, we have established the Environmental Targets toward 2030 as medium-term targets and the Environmental Vision toward 2050 as our long-term vision, and are taking actions accordingly.

Targets and Progress for Water

Environmental Vision toward 2050



Water Sustainability

- Reduce the water intensity of production at our owned plants*¹ by **50%*² globally.**
- Replenish more than 100% of water used at all of our owned plants globally through conservation of the surrounding ecosystem.
- Achieve sustainable water use for all key ingredients.
- Share the Sustainable Water Philosophy to the communities where our business operates.



*1 Owned plants that manufactures finished products and excludes plants for packaging and ingredients

*2 Reduction of water intensity of production based on 2015 baseline year

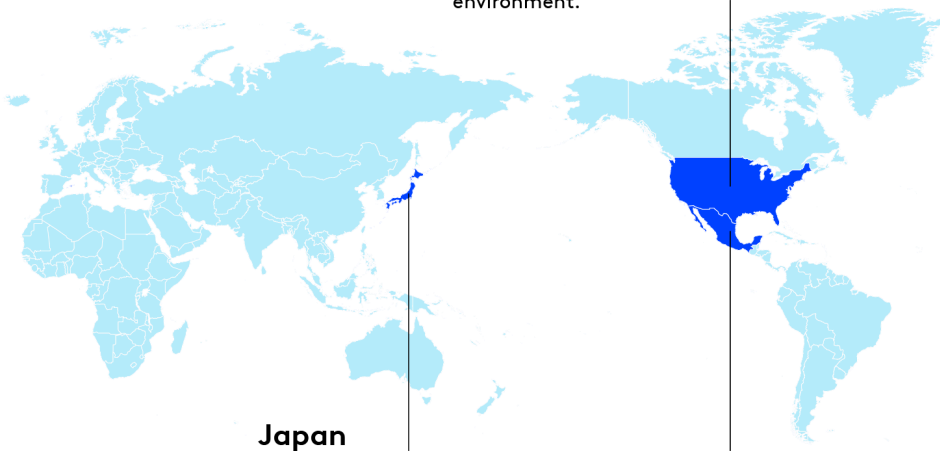
*3 Coffee, barley, grapes

➤ [For more information on water-related achievements, see the List of achievements data.](#)

Water Resource Cultivation Initiatives around the World

United States of America

- Maker's Mark Natural Water Sanctuary(13 hectares)
- Jim Beam® Natural Water Sanctuary Alliance at Bernheim Arboretum & Research Forest (6,300 hectares)
Water conservation activities around our bourbon distilleries and the improvement of biodiversity in forests to preserve the natural environment.



Japan

- Natural Water Sanctuary
12,000 hectares of forest in 22 locations across Japan, recharging twice the volume of water taken from underground at its owned plants.

Mexico

- Charco Bendito Project
Casa Sauza®'s collaborative effort with other Tequila companies to restore and protect the Santiago River Basin

<Japan> Natural Water Sanctuary

In order to maintain the safety and reliability of groundwater as well as sustainability, we conduct Natural Water Sanctuary Initiative to recharge more than twice the amount of groundwater withdrawn by our plants in Japan in the forest areas at the source of our plants.

Forests that cultivate quality groundwater are rich in biodiversity. The plant and animal life living in forests will also change if the primary functions of the forest can be revitalized. We conduct systematic management through continuous ecosystem monitoring of animals, plants and insects including birds at Natural Water Sanctuary.

Focusing on wild birds, which are said to serve as a barometer of a given environment, we conduct wild bird surveys by specialists every year based on the idea that it is possible to comprehensively grasp the changes in the entire ecosystem that supports them. We are conducting a project to support nest building and rearing of chicks by eagles and hawks, which are top predators in ecosystems at all of the Natural Water Sanctuary in Japan. The objective is to advance the development of forests rich with biodiversity by taking a bird's perspective of Natural Water Sanctuary.

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Pollution Prevention and Chemical Substance Management

▼ Policies and Our Approach | ▼ Our Initiatives

Policies and Our Approach

Many of the products handled by Suntory Group are made mainly from agricultural products and water, the risk of environmental pollution caused by chemical substances is considered to be small and compared to other industries. However, the production process is not free from the risk of polluting the surrounding environment, as exhaust gas is generated from boiler combustion and chemicals are used to clean and sterilize equipment. Therefore, we assume all kinds of abnormal and emergency situations, assess the risks that may arise, and take measures to deal with them.

Our Initiatives

Preventing Air Pollution

Suntory Group strives to reduce SOx and NOx emissions by switching to gas fuel that does not contain sulfur and adopting low NOx burners. We have set voluntary standards that are stricter than legal limits and control air pollutants in exhaust gas from boilers.

▶ [Please see the Data List for NOx and SOx emission results.](#)

Preventing Water Pollution

Wastewater management is conducted at each factory by setting voluntary standards that are stricter than legal limits.

Preventing Soil Pollution

Suntory Group's plants use chemical substances for cleaning equipment and other purposes. These substances are strictly controlled to prevent leakage. However, in the unlikely event of a leakage of cleaning agents or chemicals, each plant has installed dikes around chemical tanks and conducts periodic inspections to prevent soil contamination.

Measures for Alcohol Evaporation

Some amount of alcohol vaporizes from the cask during the storage of whisky. We place collection equipment to prevent any evaporated alcohol from escaping the plant. In addition, regular monitoring (concentration measurement, etc.) is done to confirm if alcohol evaporation can be reduced.

Chemical Substance Management

Suntory Group manages chemical substances in accordance with Pollutant Release and Transfer Register (PRTR) Law, Poisonous and Deleterious Substances Control Act, Fire Service Act and other related laws.

Waste Management

We promote to introduce an electronic manifest system for compliance with waste law and enhance information control of waste. In addition, we continue to implement training programs for production sites, sales offices, cultural sites, head office functions, and group companies to improve their knowledge and skills in waste management through methods such as group training, on-site visits, and role-playing to ensure the proper disposal of waste. We call such a lecture as “Waste management seminar” and “Surveillance seminar at waste treatment facility” to skill them up the knowledge and the audit ability on waste management. We continue initiatives for thorough implementation of proper disposal of waste.

Management of PCB Disposal

We store PCB wastes appropriately and report their storage status to the local government based on “Law Concerning Special Measures Against PCB Waste.” We have registered to Japan Environmental Storage & Safety Corporation (JESCO) as a subcontractor for the disposal of PCB and began disposal of equipment that includes PCB from 2007. Status of the use and storage of equipment that includes PCB is as follows.

Quantity of equipment that uses PCB (as of December 2023)

	Stored	Used	Total owned
Capacitor	1	0	1
Transformer	5	0	5
Stabilizer for lighting device	0	0	0

Claims, Accidents and Lawsuits

There were no serious accidents or lawsuits related to the environment in 2023.

Social

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Respect for Human Rights

▾ Policies and Our Approach

▾ Promoting Structure

▾ Due Diligence Process

The Suntory Group considers respect for human rights to be one of its responsibilities as a global corporation, and to be of vital importance in the Group's business activities. To ensure that the human rights of everyone involved with our business activities are respected, in line with the Suntory Group Human Rights Policy, we are holding dialogue with and engaging with a wide range of stakeholders, including employees, suppliers, local communities and NGOs, and we are working to further strengthen our existing human rights initiatives.

Policies and Our Approach

Formulation of the Suntory Group Human Rights Policy

In 2019, the Suntory Group formulated the Suntory Group Human Rights Policy, based on business-specific key issues identified through dialogue with external human rights experts. Since then, we have been promoting activities to address important human rights issues, incorporating ongoing feedback from external experts obtained through dialogue. In 2024, to further promote respect for human rights, we revised the Suntory Group Human Rights Policy, which positions respect for human rights as a priority theme among issues to be addressed by the Group.

Policy formulation and revisions are carried out with Board of Directors' approval, and the Policy has been translated into nine languages spoken in countries where the Group does business. All company officers and employees are made aware of the Policy through e-learning and the company intranet.

Internally, we are also promoting further understanding of the Code of Business Ethics. Externally, we encourage suppliers and other business partners to understand the Suntory Group Human Rights Policy and we distribute copies of the Suntory Group Supplier (Partner) Guidelines, which include our requests and expectations relating to human rights. We also request that suppliers and partners confirm their agreement with these Guidelines.

Furthermore, we are introducing clauses in our vendor contracts requesting business partners to support our efforts to respect human rights, and are engaged in activities to promote respect for human rights throughout our value chain.

- [Suntory Group Human Rights Policy](#)
- [Suntory Group's Code of Business Ethics](#)
- [Supplier Guidelines PDF](#) 

Human Rights of Vulnerable Group of People

In conducting our business activities, we believe it is crucial to be aware particularly of the human rights of vulnerable groups of people (women, children, migrant workers, etc.) in our own operations and **supply chain**. As a corporate signatory to the UN Global Compact, we promote human rights due diligence with awareness of global frameworks such as the Women's Empowerment Principles, the Children's Rights and Business Principles, and the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families. Furthermore, we also expect Suntory Group's suppliers to the same and respect the human rights of people in circumstances of vulnerability.

We also consider it crucial to protect land tenure, water access rights, and the rights of indigenous peoples. We will therefore promote human rights due diligence taking into account global frameworks such as the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT), the IFC Format Standard, and ILO Indigenous and Tribal Peoples Convention (No. 169). Furthermore, we expect the same respect from the Suntory Group's suppliers, including respect for ILO labor standards.

Additionally, we understand the important role played by human rights defenders, and regard them as stakeholders with whom we can collaborate in promoting human rights due diligence. We do not tolerate any discrimination or violence of any kind toward human rights defenders, and we require the same commitment from our suppliers.

Suntory Group Migrant Worker Employment Guidelines

Regarding migrant workers, who are vulnerable to forced labor, in February 2023 we established the “Suntory Group Migrant Worker Employment Guidelines,” an internal policy that gives guidance to own operations related divisions as well as suppliers and business partners on how to prevent risks from materializing, and also how to provide remedy based on the IHRB’s “Employer Pays Principle” in the case that risks have materialized. These guidelines define the main issues that migrant workers might face, and specify the steps that can be taken in response.

<Key Points from the Migrant Worker Employment Guidelines>

- (1) The Guidelines specify the main issues facing migrant workers, including vulnerability to being made to bear recruitment costs and related expenses, to issues relating to retention of ID documents, etc., and to issues relating to the provision of suitable housing. They also explain the steps that should be taken in response.
- (2) The Guidelines clearly enunciate the principle that no worker should be required to pay for a job, i.e., the costs and fees relating to recruitment and arranging jobs (as defined by the ILO) should be borne by the employer and not by the worker.

The Suntory Group is working to enhance awareness of potential risks relating to migrant workers by sharing the “Suntory Group Migrant Worker Employment Guidelines” with key internal divisions and with relevant suppliers and business partners, and is working to ensure that these risks do not become actualized, and that appropriate measures are implemented speedily to minimize their impact if they do become actualized. Based on these Guidelines, we are leveraging the Sedex and SMETA management processes (including several checkpoints regarding labor practices in relation to migrant workers) and implementing monitoring, to prevent the charging of fees to workers in the **supply chain**.

Promoting Structure

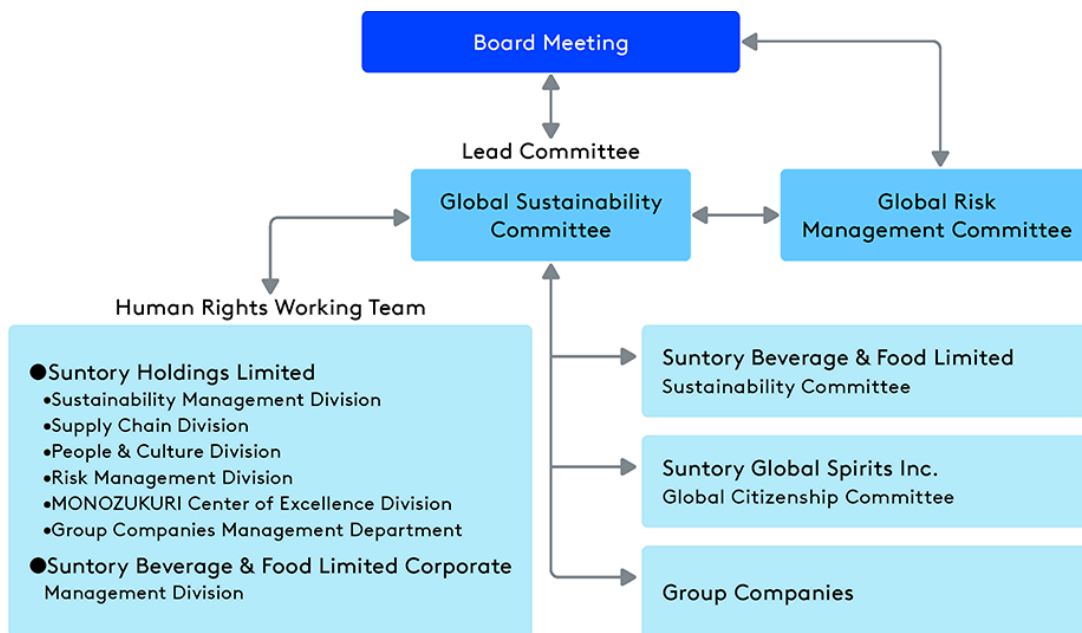
The Human Rights Working Team, consisting (among others) of the Human Resources, Legal, Sustainability Management, Procurement, and Business Management Divisions, serves as the driving force behind activities to promote human rights due diligence, and regularly formulates strategies and monitors activity progress, which it reports to the Global Sustainability Committee and, as necessary, to the Board of Directors. The Global Sustainability Committee met twice, in February and April 2024, to report on Group-wide human rights due diligence activities, and discuss topics including revision of the Human Rights Policy. Furthermore, during this process, the committee consulted with external experts and human rights NPOs, and took their opinions into account in internal discussions.

With respect to day-to-day operations, the Human Rights Group of the Sustainability Management Promotion Division, whose members include general and section managers, serves as the secretariat for the aforementioned Human Rights Working Team, and meets monthly. In addition, at approximately six-month intervals, human rights representatives from the Human Resources, Legal, Compliance, and Procurement Divisions in each international Group company meet as Global Human Rights Working Teams to address human rights-related issues. The Chief Sustainability Officer (CSO) is responsible for human rights-related activities, and activities relating to relevant themes, such as child labor and forced labor, are included in CSO compensation criteria to incentivize their promotion.

Integration with Corporate Risk Management

The Global Sustainability Committee assesses human rights risks as a top-priority issue in our corporate management in cooperation with the Global Risk Management Committee, which is in charge of risk management for the entire Group, and regularly engage in information sharing and discussions about corporate risk management. We also collaborate and communicate with outside experts, such as lawyers specializing in human rights.

The discussions of the Global Sustainability Committee and Global Risk Management Committee are reported to the Board of Directors as appropriate. In addition, we respond to Japanese traditional human rights issues through our Human Rights Education Promotion Committee, which consists of a central committee and Human Rights Promotion Committee members from each business location.

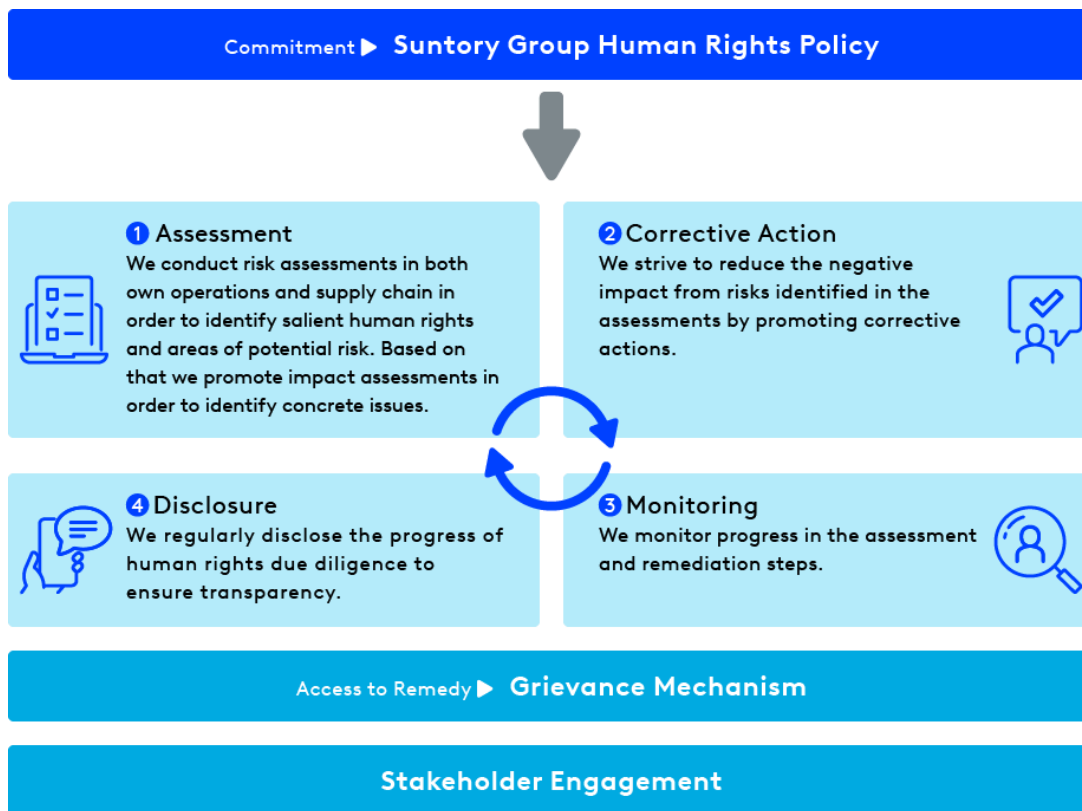


Due Diligence Process

Based on the United Nations Guiding Principles on Business and Human Rights (UNGPs) as a framework for implementation, we comply with relevant laws and regulations in each country or region where we operate, and conduct human rights due diligence in own operations and **supply chain** under the following process.

Due Diligence Process

Based on the United Nations Guiding Principles on Business and Human Rights (UNGPs) as a framework for implementation, we comply with relevant laws and regulations in each country or region where we operate, and conduct human rights due diligence in own operations and **supply chain** under the following process.



Identifying Stakeholders

We believe that identifying and engaging stakeholders is important when promoting human rights due diligence. Stakeholders mentioned here include rightholders, as well as other related stakeholders (NGOs / NPOs, experts, etc.). We have discussed with external human rights experts to identify our key stakeholders in consideration of our business structure. These key stakeholders are:

- (1) Our employees, outsourced manufacturing employees, and the local community around the plants.
- (2) Our business partners' employees (suppliers, farms), the local community around our business partners' plants and agricultural fields.
- (3) Investors, benchmarking organizations
- (4) NGOs, experts
- (5) Customers

Assessment

Identifying Human Rights-Related Risks

The process of formulating the Suntory Group Human Rights Policy involved understanding the characteristics of our **supply chain**, particularly our own plants and the agricultural products from which our products are made, while leveraging information from a variety of external human rights-related reports. We also engaged in dialogue with human rights experts, and positioned issues that are important in our global business activities as key human rights themes to be addressed by the Group (and listed in the Policy). In implementing our business activities, we are promoting risks assessment internally and in our **supply chain**, focusing on these priority human rights themes.

To ensure that our company, and the Suntory Group as a whole, constantly maintains an up-to-date awareness of global human rights risks, we are engaging in periodic dialogue with NPOs and with human rights experts from the UN, and the fruits of this dialogue are reflected in our human rights due diligence strategy.

We are also strengthening our risk identification process by using risk data from the global consulting firm Verisk Maplecroft.

Assessing Human Rights Risks

To manage human rights risk in the **supply chain**, we assess risk for both existing and new suppliers by making use of Sedex's SAQ and risk assessment tools, SMETA information, and third-party interviews. These assessments take the geographic, economic, and social considerations into account, and incorporate the

perspectives of the different regions and rights-holders that are prone to specific human rights risks. Based on this information, we promote detailed evaluation through interviews with migrant workers, etc. and corrective actions on key findings at suppliers, starting from high risk areas/issues.

[Risk Assessment]

● Internal Operations

To promote risk assessment as a part of our human rights due diligence process, we have conducted a potential risk assessment in collaboration with Verisk Maplecroft, a global risk consulting company, for the countries in which our global total of 90 factories are located, using general country and industry data. The results obtained through this assessment indicated that, of the countries in question, countries that have a high risk of child labor and forced labor where we have plants were: India, Vietnam, Mexico, Thailand, and Malaysia.

Going forward, we will carry out individual evaluations targeting those factories located in high-risk areas.

Potential risk assessment results (overall)*:

Low risk:	61 factories	68%
Mid risk:	21 factories	23%
High risk:	8 factories	9%
Very high risk:	0 factories	0%

* Covered human rights risks: child labor, forced labor, working hours, fair wages and welfare, discrimination, harassment, freedom of association and right to collective bargaining, access to remedy, health and safety

● Supply Chain

In order to promote risk assessment as a part of our human rights due diligence process, we have conducted a potential risk assessment in collaboration with Verisk Maplecroft, a global risk consulting company, for our major ingredients using general country and industry data. (major ingredients × country combinations for a total of 124 patterns)

Potential risk assessment results (overall)*:

Low risk:	21 items	17%
Mid risk:	58 items	47%
High risk:	37 items	30%
Very high risk:	8 items	6%

* Covered human rights risks: child labor, forced labor, working hours, fair wages and welfare, discrimination, harassment, freedom of association and right to collective bargaining, access to remedy, health and safety

The results of this potential risk assessment showed that the following items had very high risk and very high potential impact (in terms of being items where procurement volume is high) from the perspective of child labor and forced labor.

Forced labor: coffee, oolong tea, ethanol, and sugar

Child labor: coffee and sugar

[▶ For more information, see Sustainable Procurement.](#)

[Impact Assessment]

● Own Operations

Impact Assessment at Own Plants

We are using Sedex in order to visualize human rights risks and strengthen management at our own plants. We are assessing the management capability in relation to potential risks in 4 categories: (1) labor practices, (2) health and safety, (3) business ethics, and (4) environment. Assessment began in the first half of 2022, initially targeting our 20 factories in Japan (belonging to our beer business, spirits business, and beverage business) as well as 6 spirits and beverage factories in overseas regions where there is a high level of potential risk (specifically, India, Mexico, Malaysia, and Thailand). Since the second half of 2022, the scope of assessment has been expanded to other factories.

(Number of plants)

	Potential risks			Management capability		
	High	Medium	Low	High	Medium	Low
Japan	0	2	18	20	0	0
India	0	1	0	1	0	0
Mexico	0	1	0	1	0	0
Malaysia	0	1	0	0	1	0
Vietnam	0	6	0	1	5	0
Thailand	0	2	3	5	0	0
Philippines	0	0	1	1	0	0
Taiwan	0	1	0	1	0	0
New Zealand	0	0	1	1	0	0
France	0	3	2	4	1	0
Spain	0	2	1	1	2	0
United Kingdom	0	5	2	1	6	0
Ireland	0	1	1	0	2	0
Canada	0	1	0	0	1	0
United States	0	5	0	0	5	0

As shown in the figure above, of the 60 factories, 37 factories had "high" management capability, 23 factories had "medium" management capability, and no factory had "low" management capability toward the potential risks.

Particular attention was paid to confirming the situation in regard to child labor and forced labor, which we consider to be important human rights risks.

- Child labor
While there were no cases of workers under the age of 15, there were two factories with workers under the age of 18, so we are working to confirm to the actual situation regarding labor.
- Forced labor
We have confirmed that there are several migrant workers in 21 of our plants overseas. We are currently working to assess the situation in line with the Migrant Worker Employment Guidelines.

For factories with lower management capability, we will continue to strengthen management of important human rights risks. From next year onwards, we will be making effective use of Sedex to help realize sustainable management.

● Supply Chain

The Suntory Group is working to promote activities for respecting human rights throughout the entire **supply chain** while linking to business partners by establishing the Basic Policy on **Supply Chain** Sustainability.

Impact Assessment by Sedex

We joined Sedex in June 2019, and since then we are requesting our suppliers to share information through Sedex by answering to the SAQ*. These SAQs evaluate the potential social risks in the **supply chain** by focusing on child labor, forced labor and other human rights issues as well as considerations toward the work environment and occupational safety. As of November 2023, we have confirmed that over 1,150 manufacturing sites of approximately 750 major suppliers have

joined the Sedex. We will continue to promote all major suppliers to join the Sedex. We will prioritize the strategy for each region based on the result of the risk assessment to formulate an action plan and promote corrective actions when needed.

* SAQ:Self-Assessment Questionnaire*

Impact Assessment Status

The Suntory Group identifies potential and actualized risks using a risk assessment tool offered by Sedex. Specifically, we evaluate the ability to manage potential and actualized risks of the suppliers with SAQ. In addition, we also confirm actualized risks based on third-party audit information that can be checked on Sedex.

Potential Risks of Suppliers (As of November 2023)

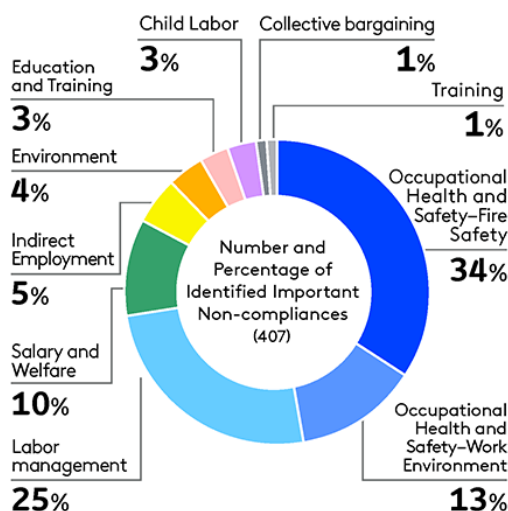
We continued our risk assessments through Sedex, during which we obtained data for 1,084 manufacturing plants from suppliers worldwide (an increase of 12 from November 2022).

(Number of manufacturing sites/%)

	November 2023		Fluctuation	November 2022	
Low	301	28%	19	282	27%
Medium	623	57%	8	615	59%
High	78	7%	-8	86	8%
Waiting for answer	82	8%	-7	89	9%
Total	1,084		12	1,072	

Actualized Risks of Suppliers (As of November 2023)

The total number of non-compliances identified was 407 (an increase of 57 from November 2022).



Monitoring through Supplier Assessment Questionnaires

We also conduct sustainable procurement questionnaires targeting suppliers that have not joined Sedex. We examine not only our existing suppliers to identify those that are at high risk, but also assess potential new suppliers before we start business relationships.

In addition, the Suntory Group shares the Suntory Group Supplier Guidelines with our overseas Group companies and verifies initiatives toward sustainability at each company at the Global Procurement Conference in which our overseas Group companies participate.

Conducting Human Rights Due Diligence Related to Migrant Workers

In line with advice from international experts that we received during Group-specific dialogue hosted by Caux Round Table Japan (CRT) in 2019, we are assessing the labor conditions of migrant workers regularly, including that of foreign technical intern trainees, which are a particularly vulnerable type of rightsholder in Japan.

We engaged CRT to conduct third-party human rights impact assessment interviews at the Tsuzuki and Takatsu Plants of Izutsu Maisen Co., Ltd., a Group company

that hires foreign technical intern trainees. Interviews were conducted in 2024, following on interviews in 2021. Taking into consideration that all interviewees were non-Japanese females, we identified particularly important human rights risks that could arise in the interview context, and conducted direct interviews in a way that allowed rightsholders to freely express their opinions with total anonymity. As a result, CRT Executive Director Hiroshi Ishida commented, "The relationship between foreign workers and Japanese employees is good at both plants, which are aware of the need to position foreign workers as important strategic assets, and provide them with good treatment." In addition, the assessment found no significant negative human rights impacts on foreign intern trainees, such as being forced to work long hours, non-payment of wages, or working under hazardous conditions. Comments received, such as those regarding knowledge of evacuation procedures and of the content of employment contracts, will be reviewed with the goal of making improvements. Aiming to further improve the workplace environment for foreign workers, we will engage in effective communication and maintain good working relationships going forward.

[> \(Report\) Suntory Holdings Limited Findings from Interviews with Foreign Workers\(PDF : 733KB\)](#) 

Corrective Action

As part of our efforts to promote corrective measures, if it becomes clear that Suntory Group business activities have directly caused negative impacts on human rights, or if indirect negative impact through business relations come to light or are suspected, the Suntory Group will take corrective measures (remedy) through dialogue with related parts, based on international standards and through appropriate procedures. Furthermore, we expect Suntory Group's suppliers to undertake corrective measures (remedy) as well. In order to implement corrective measures, we will also work with external organizations such as human rights experts (NPOs) and Sedex to engage suppliers regarding any issues discovered, and to work together on corrective steps.

Corrective Process (Remedy)

As stated in our Human Rights Policy, our key themes in human rights include child labor, forced labor, discrimination and harassment, freedom of association, and a good working environment (health and safety). We have identified numerous questions in the Sedex SAQ that relate to each of these key themes, and we use them for assessment and ongoing monitoring in our own plants and **supply chain**. We currently conduct continuous monitoring of our suppliers through Sedex, representing over 70% of our purchasing volume globally, and we strongly engage suppliers which we have been able to identify actualized risks. The monitoring process leverages also SMETA audit information on the **supply chain**, including interviews with local workers. In this way, we try to leverage the voices of rightholders.

Our remedy process using Sedex and SMETA information is as follows:

Cases of Potential Risk

1. Goal: to confirm that sufficient measures are taken toward avoiding potential risks.
2. Index: Sedex risk and management scores.
3. Timeframe: check the risk score and management capability score periodically (about once every six months), and confirm the status of the improvement activities of business partners.

Cases of Actualized Risk

1. Goal: bring actualized risks down to zero.
2. Index: key findings of third-party audit.
3. Timeframe: confirm within 6 months that the identified issues have been resolved.

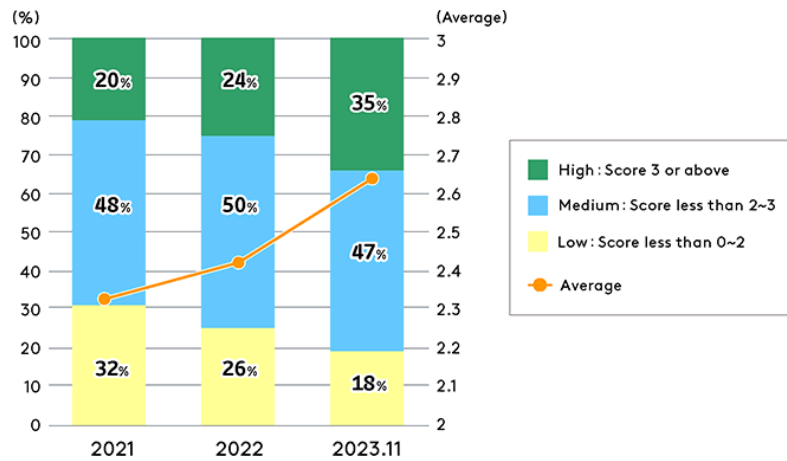
In cases that we cannot confirm that the identified risks have been resolved, we will encourage them to undergo a SMETA audit and strongly urge them to make improvements.

Potential Risks of Suppliers (As of November 2023)

Regarding the above-mentioned potential risks that can be confirmed in Sedex, we also assess the management capability of our suppliers' manufacturing sites in respect to the potential risks. Based on that, we engage with manufacturing sites, in particular sites with "high risk + low management capability" and work together with them to improve their management capability. As a result, the management capacity of many manufacturing plants has improved since 2021, when we began reaching out to suppliers. Going forward, we will continue to engage our suppliers and promote improvement activities.

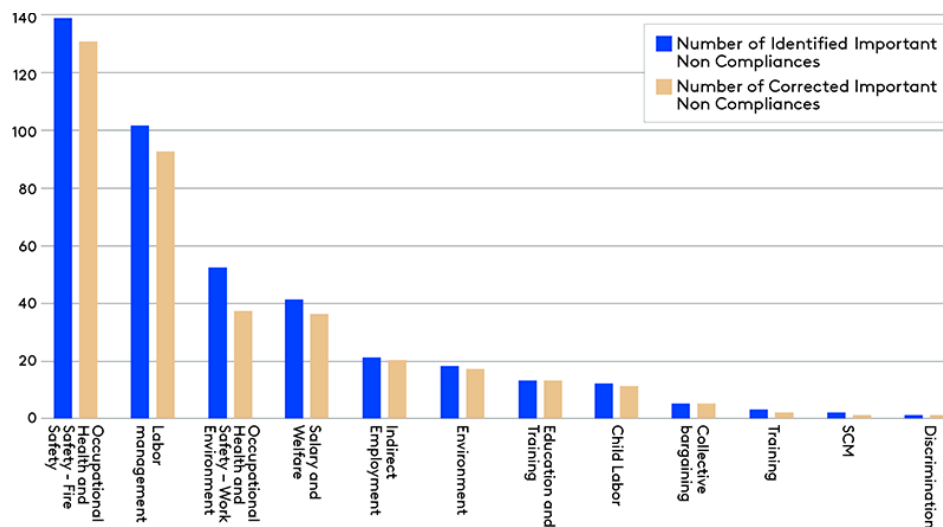
In addition, we are working to clarify which plants have migrant workers (who are seen as being subject to a particularly high level of human rights risk) working there, as well as the number of migrant workers, and to confirm whether the issues that are specific to migrant workers are being actualized.

Changes in Management Capability Scores



Actualized Risks of Suppliers (As of November 2023)

We communicate directly with suppliers regarding issues identified in Sedex by third-party audits, and we check that these issues are corrected within six months of having been pointed out. Of a total of 407 important non-compliances specified as of the end of November 2023, we confirmed that 365 have been corrected. We will continue to engage with suppliers on the remaining non-compliances as we move ahead with remedial actions.



More specifically, we have reviewed all Sedex SAQ responses regarding the following key human rights themes, and identified data indicating potential risks. At the same time, we have reviewed the findings of SMETA audits, to be check whether any potential risks have been actualized. In those cases, we engaged with the suppliers in question and confirmed the status of the corrective actions taken.

• Child Labor

We regard child labor as one of the key human rights risks in **supply chains**, and are strengthening management of suppliers through Sedex and SMETA audit information. For example, we use the questions in Sedex to identify direct and indirect workers who may be considered underage workers (under 15). In addition, based on actual on-site audits conducted through SMETA, we confirmed that worker age verification is being performed properly, and corrective actions are being taken when issues become apparent.

A review of SAQ responses from approximately 1,050 manufacturing sites indicated that there was no child labor by those under the age of 15. At 5% of plants, there were workers of ages 16-17, which by itself is a legal working age on the countries where those workers were found. The findings of one SMETA audit also noted a 17-year-old worker, but we have confirmed that this was not a problem under local law.

In addition, 10 instances of inadequate worker age records and verifying documents were noted, but we have engaged the suppliers and confirmed that the recording methods have been corrected.

• Forced Labor

We consider forced labor to be one of the key human rights risks in **supply chains** and are strengthening management of suppliers through Sedex and SMETA audit information.

1) Recruitment fees

A review of SAQ responses from approximately 1,050 supplier manufacturing sites showed that 4% of respondents had no policies, and 1% of the respondents had

no initiatives to address the burden of recruitment fees on workers. In addition, 1% of the respondents indicated that the workers bear costs in some form. SMETA audits found five instances of non-compliance related to the burden of recruitment fees on workers, but we confirmed that these had already been addressed by revising the supplier's internal regulations, and through refunds and other measures. Similarly, there were three findings regarding wage reductions, but we confirmed that there were no deductions that were problematic under local law.

2) Wages

A review of SAQ responses from approximately 1,050 supplier manufacturing sites showed that 95% of wage payments occurred digitally, such as by bank transfer, and only around 2% of payments were cash. Sixteen percent of responses indicated challenges in managing overtime pay for indirect employees.

Approximately 0.1% of sites reported a minimum wage difference of 50% or more between men and women. As such, there was no gender wage gap issue.

The review also showed lack of visibility regarding indirect employees' minimum wage. SMETA audit findings also included 38 instances of non-compliance related to wages.

We have engaged our suppliers and confirmed that currently there are no confirmed cases of uncorrected wage issues (the issues found had been solved).

3) Freedom of movement

No risk information regarding freedom of movement was found in the SAQ responses or the SMETA audit.

4) Working hours

Based on a review of SAQ responses from approximately 1,050 supplier manufacturing sites, approximately 85% had a working-hour management system, and 15% had manual management. Sixty-six of the SMETA audit findings related to recording and managing working hours.

Going forward, we will work to engage with suppliers in upgrading their working-hour management methods.

● Freedom of Association and Collective Bargaining

We consider impediments to freedom of association and collective bargaining to be one of the key human rights risks in **supply chains**, and are strengthening management of suppliers through Sedex and SMETA information to prevent infringement of these rights. For example, we leverage questions in Sedex to check the presence of labor unions, as well as processes and organizations in which workers can participate and have their participation reflected in decision-making by the supplier company. In addition, we confirm through SMETA audit data whether the rights to freedom of association and collective bargaining are being protected, and engage in corrective actions when issues become apparent and are uncorrected.

On the point of whether processes, organizations, and arrangements were in place for workers to use and reflect in company decision making, the SAQ data indicated that 14% of supplier manufacturing sites did not have these mechanisms in place. In addition, data from the SMETA audit included five findings related to freedom of association and collective bargaining, but we have confirmed that corrections have already been made.

● Health and Safety

We regard health and safety to be one of the key human rights risks in **supply chains**, and we are strengthening management of our dealings with our suppliers through Sedex and SMETA information to promote their health and safety conditions. For example, we leverage questions in Sedex to check facts such as whether a health and safety policy is in place, whether there have been any serious work accidents, the numbers of participants in fire safety drills, and the supplier's existing efforts to enhance health and safety. We also analyze similar data through SMETA audits and engage in corrective actions when issues are apparent and uncorrected.

The SAQ data showed that 2% of production plants had more than 100 recorded accidents in the past 12 months, and 1% reported more than 20 serious accidents. We will engage with these high-risk supplier manufacturing sites and work toward enhancing their occupational safety. Data from the SMETA audit also showed 190 instances of health and safety non-compliance, with remedial actions having already been taken with respect to 167. We will continue to engage with suppliers on the 23 instances of non-compliance for which corrective actions are still pending. Corrective actions for the health and safety risks found through the Sedex's SAQ answers and non-compliance by SMETA were shared with other suppliers in an effort to improve health and safety management (FY2023).

● Land Rights

We are strengthening management of suppliers through Sedex information to identify human rights risks related to land rights. Specifically, we leverage questions in Sedex to determine whether the land on which a given supplier's production plant is sited was used as a residence before construction. The SAQ results showed that 1% of such land was used for residential buildings prior to conversion to an industrial site. We will engage with the suppliers to confirm whether there is a possibility that the conversion could have led to a violation of land rights.

● Water Access and Sanitation

We are strengthening management of suppliers through Sedex data to understand risks related to the water access and sanitation rights of local communities. For example, we leverage questions in Sedex to check various pollution risks (soil, rivers, etc.) from supplier operations, their water usage volumes, whether they manage wastewater, and management of water quality impacts on local areas. The SAQ results showed that 5% of the manufacturing plants were not managing the quality of their wastewater. In other plants, wastewater quality management and internal education were being implemented. The SMETA audit data showed three instances of water treatment non-compliance, and we are confirming corrective action with suppliers.

• Women's Rights

We are strengthening management of suppliers through Sedex data to identify risks related to women's rights. For example, we leverage questions in Sedex to check the ratio of male to female workers, the ratio of female managers, whether anti-discrimination policies are in place, and rates of absenteeism and turnover among female workers. The SAQ data showed that 5% of manufacturing sites did not have separate washing facilities for men and women. During the previous year, 2% of manufacturing sites had a turnover rate among female workers of more than 50%, while 3% of sites saw the same turnover rate for male workers. One percent of manufacturing sites had an absenteeism rate among female workers of more than 30%, while 3% of sites saw the same absenteeism rate for male workers. The data from the SMETA audits did not demonstrate any non-compliance in this respect.

• Remedy

For example, Sedex questions were used to identify employee grievance notification mechanisms and grievance handling management. SAQ results indicated that approximately 70% of plants had a mechanism for reporting through a labor union, 75% had one for direct appeals to management, and 55% maintained a reporting hotline. These mechanisms were for onsite workers; the number of plants with mechanisms for offsite workers was close to zero, and we regard this as an issue that needs to be addressed throughout the **supply chain**. No issues relating to grievance handling were noted in the SMETA audit data.

• Training

For example, Sedex questions are used to confirm employee training status. SAQ results indicated that approximately 50% of plants provide labor, human resources, and recruitment policy training, with over 200 employees trained on average. About 65% of plants provide environment-related training, with approximately 30 employees trained on average, mainly managers. About 70% of sites provide bribery-related (business ethics) training, with approximately 180 employees trained on average. Approximately 50% of sites have received training in responsible sourcing, with approximately 25 procurement-related employees receiving training on average. Approximately 20% of sites provide similar training to external suppliers.

SMETA audit data indicated that employees were not receiving required health and safety training at three sites, and were not receiving training on business ethics- and bribery-related training at 13 sites. While we are engaging with suppliers to confirm that corrective actions are under way as needed, we are aware that such training for employees and suppliers presents challenges, and will recommend that suppliers utilize Sedex e-learning and other training programs going forward.

Measuring the Effectiveness of Actions Taken (Monitoring)

We measure the effectiveness of our assessment and remediation efforts through Sedex at our plants and in our **supply chain** by measuring the degree of improvement across multiple risks (health and safety, worker age, discrimination, work based on free choice, etc.) before and after the execution of remediation efforts addressing the risks we have identified through the Sedex. In the case of Sedex assessment, there are items for which it is challenging to reduce the potential risk, but even if the potential risk is high, the risk can be controlled if the management capability is high. Based on this premise, we focus on improving management capability as we undertake corrective actions at our own plants and with our suppliers.

Furthermore, as part of the series of steps noted above, we provide feedback to stakeholders on the results of our effectiveness measurement, and carry out direct engagement that leads to further actions for improvement.

Action Plan

While taking into consideration the risks and other factors identified through the above process, we will implement the following priority initiatives as our action plan.

• Own Plants

We will carry out assessment activities utilizing Sedex's new assessment SAQ at principal domestic- and international-business plants during 2024 and 2025. We also plan to promote similar Sedex assessment activities with contract manufacturers and with subcontractors operating in our plants.

• Supply Chain

With regard to 1st tier suppliers, we will continue to promote the remedy of important non-compliances that have become apparent through Sedex, and will continue to encourage suppliers to improve their management capabilities with regard to potential risks. In addition, we will move forward with impact assessments for upstream suppliers in our main raw materials **supply chain**.

• Migrant Workers

We will identify sites other than our own plants where migrant workers (especially technical intern trainees) are present, and consider necessary steps depending on the degree to which the significant risk of forced labor is present.

Internal Reporting System

• Hotline

The basic rule in Suntory is that when an employee discovers actions that breach the Suntory Group's Code of Business Ethics, he or she must first report it to the supervisors and seek their advice. However, we have also established a Compliance Hotline both internally (our Compliance Office) and externally (3rd party law firm) as contact point for all of the Group companies in Japan in order to quickly discover and resolve compliance issues when reporting or consulting with a supervisor is not appropriate.

Both mechanisms are available in multiple languages so that foreign employees who do not speak Japanese fluently can use easily use them. In addition, we provide an independent internal contact point at 11 Group companies and conduct annual training to improve the response of those in charge of this independent contact point in the Compliance Department.

We have also implemented a global contact point for compliance issues encompassing all Group companies in Japan and globally as part of our global risk management system.

This contact point supports multiple languages such as English, Chinese, and Spanish, and accepts reports and consultations from multiple countries. Additionally, in order to avoid accessibility issues due to technical or financial reasons, we have made this mechanism accessible to all employees through different methods (digital and analog), including web, smartphones, telephone, and mail. The internal awareness of this mechanism is measured every year through initiatives such as the "Employee Awareness Survey" as a way to engage users and assess the current mechanism, and the current awareness rate is over 90%. We also strive to keep improving the awareness rate and accessibility of this mechanism by sharing these results (including comparisons with previous year) with our top management.

In 2022, a total of 215 reports were received through these contact points in Japan and overseas (99 reports were received by Suntory Beverage & Food Group). Roughly 60% of the reports received in Japan were about labor, personnel and management issues, including human rights related issues.

If there is a suspicion of non-compliance based on the content of the report, we take into consideration the privacy protection of all persons involved in accordance with the Suntory Group Internal Reporting System Regulations. In that case, the compliance officer promptly conducts a confidential investigation within the company, and promptly requests correction while escalating to the relevant executive in charge, so that measures can be taken as soon as possible in order to avoid any negative impact to the reporter. The results of the survey are shared to the reporter and management, respectively, to promote corrective measures and prevent recurrence. After a certain period of time has passed after the response, we close the case once we receive a report on the state of change from senior management as a follow-up.

Furthermore, regarding measures against harassment, which is a priority issue, in many cases there is a difference in values with colleagues and related parties, so we aim to create a culture where both sides can recognize the difference by providing an opportunity to learn about "conscious bias," and in this respect we are holding seminars to promote a more tolerant organization.

Protecting the Reporters

Based on our internal regulations, the Suntory Group prohibits any type of negative impact such as retaliation or spread of rumors and does not force confidentiality on the reporters. In order to achieve this, when the Compliance Office conducts an investigation, it identifies the persons concerned and then confirms the "internal reporting system regulations," protecting thus the rights of the reporter. In addition, during the interviews with the reporter on the closing of each case, we also check that reporters have not suffered any disadvantages during the process. Furthermore, we are working to create a culture in which compliance reports are protected not only by the persons concerned, but also by the entire workplace by proactively disseminating the "internal reporting system regulations" within the company on a daily basis.

[Suntory Group's Compliance](#)

External Reporting System

Since its founding, the Suntory Group has placed customer satisfaction first and valued proactive communication with customers. In addition, based on our belief that all our stakeholders are customers, suppliers are also regarded as important customers. Therefore, when promoting human rights due diligence, we think it is important that not only our employees, but also our direct suppliers, their own suppliers, as well as other related parties (their local community, etc.) have access to a grievance mechanism, including human rights issues.

Furthermore, as stated in our supplier guidelines, we expect suppliers to establish similar grievance mechanisms (with no retaliation) within their own **supply chain**, thereby striving to promote access to remedy upstream in our **supply chain**. Currently, we have established a Customer Center as a contact point for suppliers and their related parties (communities) to use. The Customer Center accepts inquiries from all customers.

For human rights issues and other inquiries from suppliers, please contact us using the form below (English/Japanese available)

[Contact Us](#)

Grievance Mechanism for Migrant Workers

In order to strengthen our human rights due diligence efforts, the Suntory Group joined the "Japan Platform for Migrant Workers towards Responsible and Inclusive Society" (JP-MIRAI) multi-stakeholder initiative in 2023. With this step, we aim at building a grievance mechanism in which we can gather not only the voices of our **supply chain** workers and/or their representatives without any type of retaliation or censorship (particularly from vulnerable groups such as migrant workers), but also directly share with them helpful information regarding life in a foreign country, how to obtain language support, etc. in order to improve their quality of life and protect their rights.

Users can seek for help anonymously by phone, chat, or email, and they are first connected to an independent NPO specialized in supporting migrant workers, who then escalates to us based on the contents shared by the worker. After that, we promptly analyze if any risks may be occurring, and engage the corresponding parties in order to help the worker and deliver remedy as soon as possible.

This service is available in 9 languages: "easy" Japanese, English, Spanish, Portuguese, Bahasa Indonesia, Vietnamese, Tagalog, Chinese and Burmese.



> **More information about JP-MIRAI can be found on the following link :** <https://jp-mirai.org/en/>

Stakeholder Engagement

We utilize information on Sedex and third-party interviews as key processes to engage with stakeholders (rightsholders).

As an example of information gathering through Sedex, when we implement Sedex at our own plants, we communicate directly with the office management of each plant to exchange opinions from the perspective of human rights risks. An example of our third-party interviews can be seen in the third-party interviews conducted by CRT with migrant workers (foreign technical intern trainees) at our group company Izutsu Maisen in February 2024. In doing so, we listened to their perspectives on human rights and related issues of migrant workers (communication, cross-cultural understanding, and creating a more comfortable workplace). We regard this as important information to be used in our future human rights due diligence efforts.

Communication with Business Partners

We believe that communicating with stakeholders on human rights risks and impact is critical to our stakeholder engagement.

For example, we carry out direct communication that is attentive to rightsholders (as in the interviews with migrant workers at Izutsu Maisen described above), and we communicate through briefings for suppliers (on supplier guideline compliance).

On the other hand, while identifying and approaching rightsholders upstream in the **supply chain** is a very important component of stakeholder communication, it is also a challenging area of activity that must be addressed step by step and after proper prioritization. We plan to engage and communicate with the main stakeholders of the high-potential-risk and high-impact raw materials that we identified.

Human Rights Training for Suppliers

In 2022, the Suntory Group has started to hold annual training sessions on sustainability towards our main suppliers, with an agenda on human rights including child labor and forced labor, in which we engage our ingredients suppliers to think about these risks and act towards prevention and mitigation. On our first instance of these training sessions, we engaged more than 50 suppliers and 120 attendees. The effectiveness of this training is measured through the following Sedex results on human rights related scores.

Further, in November 2023 we held a meeting to exchange opinions with domestic packaging suppliers regarding occupational health and safety, including opinions regarding prevention of serious accidents, which is a cross-sectional issue, based on the Sedex assessment. Through discussion with suppliers, we debated which measures could be taken to prevent accidents during dangerous operations, for example when operating forklifts. In addition, suppliers gave presentations profiling their internal awareness-raising approach with respect to such measures. As a forum for proactive awareness-raising with respect to occupational health and safety, the meeting served as a Sedex human rights evaluation activity.

Communication with Employees

Initiatives to Raise Awareness

Every year, the Suntory Group conducts a sustainability e-learning program for approximately 20,000 employees to learn about global ESG trends, including human rights, and the company's initiatives. In addition, to facilitate understanding of the Suntory Group's Code of Business Ethics (including human rights) among all officers and employees of the Suntory Group, and to encourage them to practice these ethics in their daily activities, we have included the Code in a booklet that

summarizes the Suntory Group's system of philosophy, which is distributed to all employees. To promote global understanding, we have translated the booklet into 11 languages, and its contents are read and signed once each year. Group companies outside Japan also carry out similar efforts to promote compliance and human rights understanding in various regions.

Regarding our corporate management, every year we provide briefings on sustainability encompassing human rights as part of our annual training for newly appointed managers. In addition, members and management of the procurement department, which is closely involved with human rights initiatives, are all provided with briefings on sustainability encompassing human rights.

Freedom of Association and Collective Bargaining

The Suntory Group holds regular labor-management council meetings which bring together union representatives and senior managers, and we liaise closely with the union regarding everything from labor issues to managerial and business issues, with senior management responding in a serious manner to all points raised by the union. (All employees other than those holding managerial positions are required to join the union)

Measures to Reduce Excessive Working Hours

Besides adhering faithfully to labor laws (including those relating to working hours) in each country where it operates, the Suntory Group also implements measures, through labor-management collaboration, to reduce long working hours and prohibit unpaid overtime, as well as encouraging employees to take their annual paid leave. In addition, we have adopted a system that enables daily checking of time-use data, including the amount of time spent using a computer, etc., and we provide support for employees to implement self-directed time management, while also formulating appropriate response measures, including the provision, where needed, of guidance on how to realize improvement.

Dialogue with Experts

The Suntory Group holds regular dialogue with experts on human rights from Japan and overseas to strengthen initiatives related to human rights. In 2023, we engaged in dialogue with Human Rights Watch (HRW), a human rights NGO, and with human rights experts from other international NGOs. In our dialogue with HRW, we discussed the assessment of human rights risk which is necessary when developing a new business, and how to respond when a human rights issue becomes actualized. We also received advice from human rights experts associated with global NGOs regarding the need to review human rights related measures in light of the proposed Directive on Corporate Sustainability Due Diligence in the European Union.

In dialogue with global experts conducted in collaboration with the Caux Round Table Japan (CRT Japan), we engaged in a productive exchange of views regarding the scale and scope of support needed to address human rights issues in the upstream portion of the raw materials **supply chain**, and the right approach for this, as well as prioritizing in the value chain, dialogue with civil society, etc., and we received valuable advice regarding the best approach for responding to these kinds of issues, and the key points to consider.

Going forward, we will continue to engage in this type of dialogue, and will reflect the results of this dialogue in our human rights measures.

<Dialogue with Experts in Recent Years>

Year	Contents
2019	<ul style="list-style-type: none"> Ethical production activities and migrant workers in the Group's production sites
2020	<ul style="list-style-type: none"> Progress of the risk assessment activities for the Group's own factories and migrant workers. How to proceed efficiently and effectively risk assessment on raw ingredients and migrant workers in the corona disaster.
2022	<ul style="list-style-type: none"> Sharing of progress made in initiatives relating to forced labor risk and migrant workers in the upstream portion of the supply chain
2023	<ul style="list-style-type: none"> Methods for determining human rights risk, and how to respond in the event that human rights risk becomes actualized The need to review human rights related measures in light of the proposed Directive on Corporate Sustainability Due Diligence in the European Union The scale and scope of support needed to address human rights issues in the upstream portion of the raw materials supply chain, and the right approach for this Prioritizing in the value chain Dialog with civil society

Statement on legislation of human rights due diligence by Group companies around the world

➤ [Suntory Global Spirits Inc.](#) 

➤ [Suntory Beverage & Food Europe](#) 

Suntory Group Human Rights Policy

The Suntory Group's purpose is "To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature", in order to contribute to the realization of a thriving society. The Suntory Group recognizes that it may directly or indirectly impact human rights in the course of our business activities, and in order to respect the human rights of all people involved in our business activities, the Suntory Group Human Rights Policy (hereafter, this "Policy") set out herein, will promote our efforts to respect human rights. This Policy serves as the primary guiding principle for all other human rights-related policies within the Suntory Group.

1. Our Approach to Human Rights

As a member of society, the Suntory Group recognizes the importance of respecting human rights in all business activities and respects the following international human rights principles:

- United Nations (UN) Universal Declaration of Human Rights;
- ILO Declaration on Fundamental Principles and Rights at Work and the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy;
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct;
- UN Guiding Principles on Business and Human Rights (UNGPs);
- International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families;
- Children's Rights and Business Principles; and
- Women's Empowerment Principles

The Suntory Group complies with relevant laws and regulations in each country or region where it operates. If laws and regulations in the countries and regions contradict the principles of international human rights, we will seek ways to respect internationally recognized human rights to the greatest extent possible. Where laws and regulations in the countries and regions differ from the international human rights principles, we strive to follow the higher standard.

As a signatory to the United Nations Global Compact, we support and respect the Ten Principles of the UN Global Compact.

2. Scope of Application

The Suntory Group applies this Policy to all Suntory Group executives and employees. We also require all business partners involved in our business activities, products, and services to understand and comply with the principles set out in this Policy. This Policy is incorporated in the Suntory Group's Basic Policy on Sustainable Procurement and the Suntory Group Partner Guidelines, and the specific requirements for partners are stipulated in these policies and guidelines.

3. Responsibility to Respect Human Rights

The Suntory Group strives not to violate the human rights of anyone involved in our business activities and respects human rights throughout our value chain by taking appropriate measures to remediate any adverse human rights impacts.

4. Human Rights Due Diligence

The Suntory Group establish a human rights due diligence system, identify our potential adverse human rights impacts, and work to prevent and mitigate such impacts. By conducting human rights due diligence, we will identify and assess themes and areas of human rights which are high risk in the value chain, and take corrective measures to remediate adverse human rights impacts. We will incorporate clauses related to the respect for human rights into our standard partner contract form, including a provision that requires partners to cooperate on human rights due diligence.

5. Remediation

If it becomes clear that our business activities are causing or contributing to adverse human rights impacts, the Suntory Group will remedy the situation through stakeholder engagement and other appropriate procedures aligned with international human rights principles. We will work with partners to remedy adverse impacts which are directly linked to our operations, products, or services. We do not prevent stakeholders who are adversely impacted from using judicial or non-judicial grievance mechanisms and will collaborate with these mechanisms as necessary to provide remedy.

6. Grievance and Whistleblowing Mechanisms

The Suntory Group offers various hotlines for executives and employees globally to report and consult human rights concerns. A designated contact point is also established to receive human rights concerns and inquiries from stakeholders including partners' employees, local communities, and customers. We prohibit any form of retaliation or discriminatory treatment against those who raise human rights related concerns. We will continuously review and improve our whistleblowing and grievance mechanisms to enhance their effectiveness.

7. Disclosure

The Suntory Group will timely and appropriately disclose the progress and results of our efforts to respect human rights on our website, etc.

8. Stakeholder Engagement

While implementing this Policy, the Suntory Group will take advice from independent experts and diligently engage in dialogue and consultation with internal and external stakeholders with the aim to understand and address adverse human rights impacts that arise or may arise from our business activities.

9. Education and Training

The Suntory Group will provide appropriate education and training to our officers and employees so that this Policy will be integrated appropriately into our business activities and implemented effectively. We will provide our business partners with education and training as necessary.

10. Officer in Charge

The Suntory Group will clarify the officer responsible for the implementation of this Policy and ensure its effectiveness. The Board of Directors of Suntory Holdings Limited is responsible for overseeing the compliance and implementation status of this Policy.

11. Important Themes regarding Human Rights

The Suntory Group has established the Suntory Group Code of Business Ethics and aims to realize a corporate group that is rewarding, and respects diversity, inclusion and human rights. We position the following items as key themes in respecting human rights.

Forced labor and human trafficking

We strictly prohibit any form of forced labor including human trafficking. The labor practices^{※1} that may contribute to forced labor and human trafficking are also prohibited.

Child labor and young workers exposed to hazardous work

We strictly prohibit employing any child under the legal working age as prescribed in the laws and regulations of the relevant country or region. We also prohibit the assignment of hazardous or night work to workers under 18. We will verify the age of newly recruited workers and provide remedial measures to children or young workers identified.

Discrimination

We will build a workplace where everyone is treated fairly by respecting the rights and personalities of each individual and eliminating all forms of discrimination based on ethnicity or race, religion, sex, gender, sexual orientation, age, national or social origin, property, birth, language, disability, or other characteristics that are not relevant to a person's capacity and aptitude. We strive to accommodate requests related to employees' religious practices within reasonable limits.

Inhumane treatment

We do not tolerate inhumane treatment that threatens an individual's dignity, including physical, sexual, racial, psychological, verbal, or any other form of harassment, bullying, or abuse.

Freedom of association and collective bargaining

We will respect the basic rights of our employees to engage in freedom of association and collective bargaining. We will also prohibit intimidation, harassment, retaliation, and violence against trade union members and employees' representatives.

Occupational health and safety

We will comply with the laws and regulations on occupational health and safety and implement an occupational safety and health management system. We will promote work styles that find balance between the professional and private lives of our employees while building a workplace that allows each person to work safely, securely and with enthusiasm in ways that are healthy, both mentally and physically.

Working hours

We will appropriately manage working hours, holidays, and vacations in compliance with the laws and regulations of the relevant country or region. We strive to respect international standards where the local laws and regulations conflict with international standards or do not fully meet with them. We seek to ensure that overtime work is consensual and paid at an appropriate rate.

Wages

In compliance with the laws and regulations of the country or region and other relevant provisions, we work to manage so that wages of our employees meet or surpass the statutory minimum, and overtime is compensated at the appropriate rate. We strive to pay a living wage that provides a decent standard of living for our employees and their families. Our employees are paid directly, regularly, and in full, on time, and are provided with a pay slip explaining any legitimate deductions.

Rights of foreign and migrant workers

We respect foreign and migrant workers' rights as set out in the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. We ensure appropriate working conditions and environments for foreign and migrant workers and prohibit discriminatory treatment against them.

Rights of local community including indigenous peoples

We respect the ownership and use of land and natural resources and respect legitimate tenure rights related to the ownership and use of land and natural resources as set out in the international norms related to the rights of indigenous peoples^{※2}. When acquiring water, land, or natural resources, we avoid adverse impacts on the rights and access of indigenous peoples and obtain free, prior, and informed consent (FPIC) from the community as required.

Rights of human rights defenders

We neither tolerate nor contribute to threats, intimidation, and attacks (both physical and legal) against human rights defenders. We will work with human rights defenders to create safe and enabling environments for civic engagement and human rights at local, national or international levels.

Open-minded workplaces

We will foster an open-minded workplace that respects one another's beliefs, values, and diversity and where each and every employee can candidly express and share their views. We will also build cooperative relationships founded with unity through active communication throughout the Suntory Group

Perseverance and growth

We will realize the growth of individuals by fostering a feeling of pride and responsibility toward work in each and every individual so that they may independently persevere in achieving their goals.

※1 The labor practices that may contribute to forced labor and human trafficking include, but are not limited to, the following:

- Companies or employers retaining personal documents, collecting recruitment fees and related costs from workers and job seekers, restricting workers' freedom of movement, not providing employment terms in written form, and requiring workers to use company-provided accommodation.
- Third-party recruitment intermediaries retaining personal identifications and collecting recruitment fees and related costs from workers and job seekers.

※2 The international norms pertaining to the rights of indigenous peoples encompass:

- International Finance Corporation Performance Standards
- ILO Convention on Indigenous and Tribal Peoples No.169



Takeshi Niinami

President and CEO

Suntory Holdings Limited

This Policy has been approved by the Board of Directors of Suntory Holdings.

- | | | |
|---|--|--|
| Suntory Group Human Rights Policy (English) | Suntory Group Human Rights Policy (Japanese) | Suntory Group Human Rights Policy (Simplified Chinese) |
| Suntory Group Human Rights Policy (Traditional Chinese) | Suntory Group Human Rights Policy (French) | Suntory Group Human Rights Policy (Indonesian) |
| Suntory Group Human Rights Policy (Spanish) | Suntory Group Human Rights Policy (Thai) | Suntory Group Human Rights Policy (Vietnamese) |

Learning & Development

Our Approach

The Suntory Group takes a medium-to-long-term approach to human resource development and strive to present opportunities for growth to all of our employees, regardless of nationality, age, etc.

• Providing new challenges through growth fields (by business, region and function)

The Suntory Group started out as a merchant in foreign liquors and expanded into beer, soft drinks, health foods, dining, flowers, and many other areas of business. We also grew internationally out of Japan, and today we do business as a manufacturer in the Americas, Europe, Asia, and Oceania, extending across functions and the value chain. As the corporate group develops further in global foods and liquors, we aim to provide ongoing opportunities for career challenges and growth for all employees through our company-wide talent development system.

• Suntory University—a place for Suntory employees worldwide to learn, develop skills, and absorb the corporate philosophy

The Suntory Group opened Suntory University in April 2015 for employees to strengthen our framework for day-to-day learning and build a culture of learning—for developing talent within the group. Suntory University develops a variety of programs for all employees in the group based on four aspects—cultivating a culture of self-development and continued personal growth, sharing and implementing the founding spirit, leadership development, and skills development for the future.

➤ [For more information on our Human Resource Development, DEI, and Health Management, see Group global People and Culture initiatives.](#)

Diversity, Equity & Inclusion

Our Approach

Individuality and diversity as strengths: DEI

DEI stands for diversity, equity, and inclusion. Suntory has established a DEI vision statement and strategic pillars based on the active inclusion of people who share different backgrounds and values. We aim to assure fair treatment for everyone, valuing full participation regardless of age, nationality, gender, etc. That is how we can constantly generate new value. Our initiatives as a group extend globally to achieve these ends.



DIVERSE WORKFORCE

We bring people together as Suntorians. We treat our uniqueness as strengths where everyone can feel pride for who they are by unleashing their spirit. We embrace equity for all and seek to develop talents from diverse backgrounds at every level and region of our organization.



INCLUSIVE WORKPLACE

We educate, advocate and communicate from the top to foster an inclusive workplace to empower individuals to thrive at their best. We cultivate a culture where everyone feels a sense of belonging and feels safe to bring their whole selves to work.



CUSTOMERS & COMMUNITIES

Growing for Good. Be the preferred brand in the markets we serve by fostering partnerships with our diverse customers, suppliers, and vendors that reflect our values and behaviors. We support underrepresented communities and businesses for a sustainable future.

> For more information on our Human Resource Development, DEI, and Health Management, see Group global People and Culture initiatives.

Health & Safety

- ▾ Our Approach
- ▾ Promoting Structure
- ▾ Targets and Progress
- ▾ Our Initiatives

Our Approach

The Suntory Group's Aim for Health Management

We believe that the health of our employees and their families is the source of workplace energy and innovation at the Suntory Group. Based on this, we aim to maintain good working conditions for all of our employees—conditions that promote positive motivation at work and excellent mental and physical health. In 2016 we set forth a Health Management Declaration, and have been implementing various measures since, led by our Global Chief Health Officer, in association with the Suntory Health Insurance Association and the Suntory Union.

Health Management Declaration (Established in 2016)

Based on the idea that the health of our employees and their families is the source of the Suntory Group's challenge and innovation, we aim to have all employees work in a healthy and motivated state, both physically and mentally.

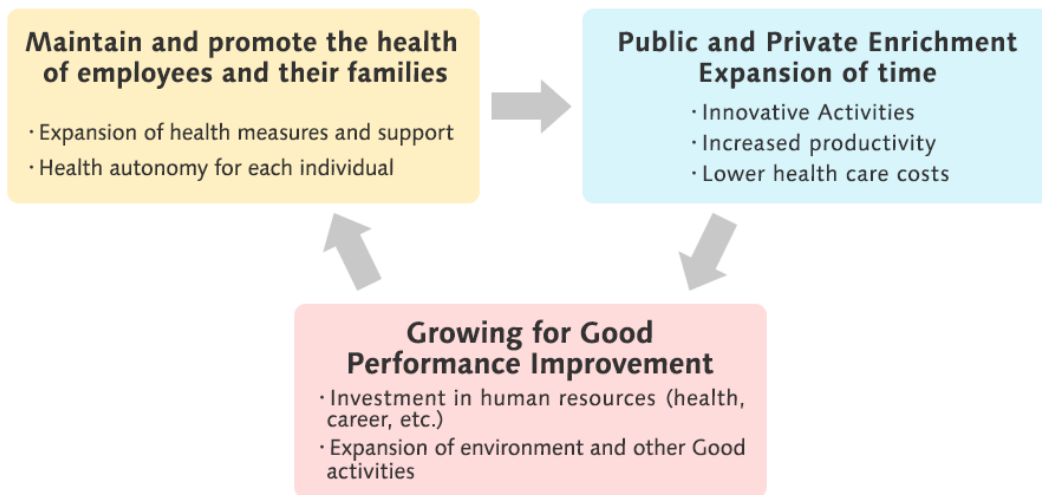
Basic Policy

- We will promote the creation of a foundation for employee health by improving the workplace environment and through work style reform.
- We will work to improve health literacy by providing health information and individual support to employees.
- We will work to improve lifestyle habits and promote physical health through prevention, early detection, and support for balancing work and family life.
- We will provide support so that each employee can understand about mental health and take appropriate care.
- Through these efforts, we aim to help our employees and their families realize enriched, fulfilling lives.



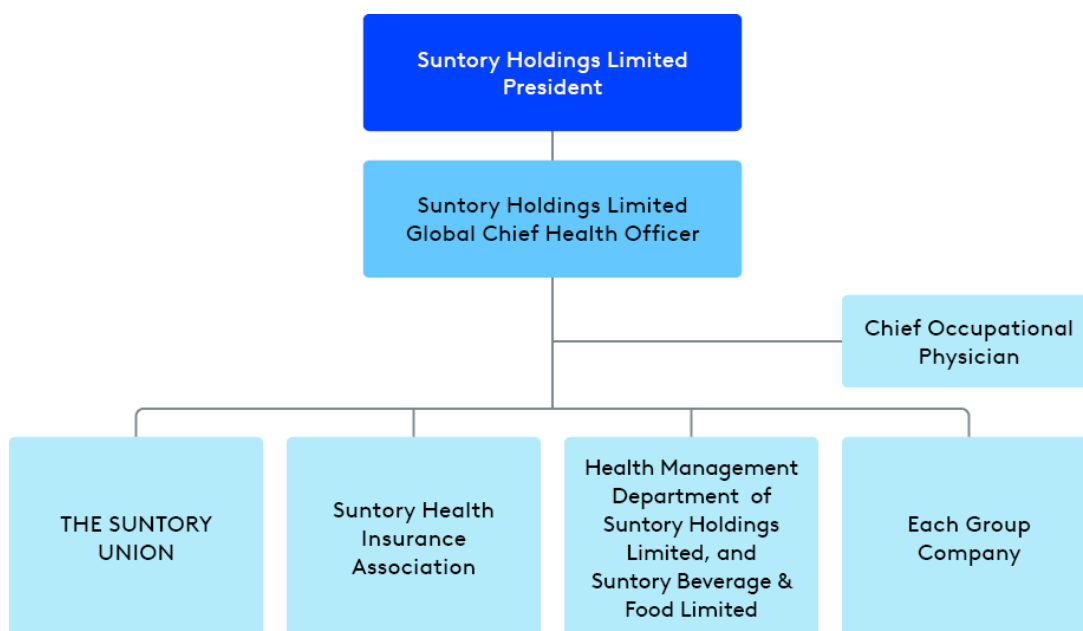
Significance of Health Management

Working to maintain and improve the health of employees and their families will lead to more time for both personal and professional enrichment. As a result, business performance improves, allowing for further investment in human resources and in resolving social issues, such as environmental investment. By promoting health management, we will realize our aspiration of Growing for Good.



Promoting Structure

Health and Productivity Management Promoting Structure



Major Health and Productivity Management Meetings

Meeting name	Main attendees		Meetings per year	Description
Consultative meeting with management	<ul style="list-style-type: none"> Global Chief Health Officer (GCHO) Director in charge of human resources Chief occupational physician 	<ul style="list-style-type: none"> Nursing staff Persons in charge of health management department 	2	Confirmation of company policies and health status, discussion related to future health measures, etc.
Health Management Promotion Committee	<ul style="list-style-type: none"> Suntory Health Insurance Association Chief occupational physician 	<ul style="list-style-type: none"> Suntory Union Persons in charge of health management department 	3	Evaluation and discussion of Suntory Health Insurance Association's health services and activities throughout the year

	<ul style="list-style-type: none"> • Nursing staff 			
Group-Company Human Resource Managers' Meeting	<ul style="list-style-type: none"> • Persons in charge of human resources at group companies • Nursing staff 	<ul style="list-style-type: none"> • Persons in charge of health management department 	1	Confirmation of the health of employees at each group company and health measures being promoted, and discussion to make improvements
Company-wide Health and Safety Committee	<ul style="list-style-type: none"> • Chief occupational physician • Suntory Union 	<ul style="list-style-type: none"> • Persons in charge of labor affairs in the human resources department • Persons in charge of health management department 	1	Confirmation of the health of employees throughout the company and the status of health measures being promoted, and discussion with Suntory Union headquarters to make improvements
Nationwide Conference of Health Managers and Promoters	<ul style="list-style-type: none"> • Occupational health managers and occupational health promoters at each business site • Chief occupational physician 	<ul style="list-style-type: none"> • Nursing staff • Persons in charge of health management department 	1	Confirmation of the health of employees at each business site and the status of health measures being promoted, and discussion to make improvements

Safety is one of our criteria for evaluating worksite performance at our plants. Our Health and Safety Committee, which includes employee representatives, plays a central role in the promotion of activities that, based on the discussions with employees, are customized to match the characteristics and circumstances of each worksite. We will continue working to increase employee awareness and to improve their safety during working hours and commuting with the goal of zero occupational health and safety accidents.

[For more information on our occupational safety achievements, see the List of achievements data.](#)

Targets and Progress

2025 Mid-term Goals

	FY2021 Results	FY2030 Target
Percentage of people with exercise habits※ 1	28.6%	80%
Percentage of regular eating habits (breakfast intake, early dinner)	50.2%	80%
Percentage of people who can rest on their sleep	81.2%	90%
Percentage of non-smokers	82.7%	95%
Percentage of people who practice DrinkSmart※ 2	64.7%	90%
Result of stress checks Ratio of low-stress	93.0%	95.0%
Presenteeism※ 3	79.2%	90%

*1 At least one day off per week

*2 Those that answered "Already working on it" for a question "Do you plan to improve your lifestyle habit such as exercising and daily diet?"

3 Work productivity when 100% in the absence of illness or injury 4-week average

Our Initiatives

Health Consultation Support System

Suntory has introduced a nurse in charge system where nurses are assigned to all business locations to support all employees. The nurse in charge acts as a contact point for employee consultations, while industrial physicians, psychiatrist, clinical psychotherapists, and others work together to provide consultation services and support to allow employees to work while maintaining good health.

In addition to our in-house occupational health staff, we have also set up external consultation services such as the E-Partner Consultation Service, which provides consultation on private family issues, and First Call, an online service that provides medical consultations 24 hours a day, 365 days a year.



Internal Consultation Services	With Nurse	Provides support as a person deeply familiar with each employee through daily contact, including health interviews.
	With Occupational Physician	With the supervising occupational physician taking a central role, occupational physicians provide post-treatment measures for regular health checkups, guidance for various interviews, and support for balancing treatment and work.
	With Psychiatrist	Psychiatrists who are familiar with mental health issues in the workplace work together with occupational physicians and nurses to support employees.
	With Clinical Psychotherapist	Counseling based on psychological knowledge is provided to care for employees who are troubled to help them resolve their problems.
External Consultation Services	EAP	An external consultation service that allows employees to consult with an external counselor about a variety of issues, including personal and family problems.
	Online chat-based consultation service	An online service that allows employees to consult with a doctor via chat or video phone 24 hours a day, 365 days a year.

*1 AP (Employees Assistance Program): An employee support program provided by businesses outside the company. In response to consultations from companies, the program provides stress diagnosis, counseling (telephone counseling, e-mail counseling, and face-to-face counseling), medical recommendations, mental health education and training, consultation for human resources and managers, and programs to support an employee's return to work.

Various Measures

As a foundation for all activities, we conduct not only regular health checkups, but also health consultations with employees conducted by in-house nurses to support individual health maintenance and encourage participation in measures tailored to each employee's condition.

Work Environment Creation/Health Literacy Training

We are working on health literacy education to foster health awareness among the younger generation and those who are not currently experiencing any health issues. In the monthly Healthma newsletter distributed by our nursing staff, we try to make people feel closer to health by introducing health information and measures. We also strive to provide opportunities for health seminars for the entire company, as well as seminars for each office in line with the issues they face. We promote health management while firmly connecting that management to work style innovation.

Physical Health - Efforts for improving daily habits

Since daily lifestyle habits such as eating habits, exercise, sleep, alcohol consumption, and smoking are deeply related to the onset and progression of diseases, various measures are implemented to improve and maintain lifestyle habits. In addition to specific health guidance, we also provide guidance comparable to specific health guidance to those under 40 years old who are subject to the same criteria, and are making efforts to raise awareness among the younger generation. At the same time, we are actively recommending that they undergo re-examinations and precision examinations, and are also working to support early detection and balance health and wellness.



Mental Health - Initiatives for Mental Health

We have created two mental health management initiatives for the prevention and early detection of mental health problems: our self-care initiatives which aim to make employees aware of stress and take appropriate measures to counter it, and our line-care initiatives in which managers strive to improve the working environment and provide individual counseling. We are properly engaged in various health care efforts that include self-care in group training, courses in employee care overseen by a line manager, introduction of complete stress checks and counseling through clinical psychologist. We have also put in place a return to work support system for employees on leave to smoothly return to work.

Examples of Mental Health Care Initiatives

Point	Measure	Content
Self-care	Early detection and prevention through self-check	Self-check during regular check up
		Mental self-check (required for all employees once a year) and follow up for those that need attention
Line care	Raising awareness through lecture on basic knowledge about mental health	· Provide information through Mental Health Hand book that summarize basic knowledge
		· Implement mental health e-learning · Self-care lectures during group training · Line care lecture during new manger training · Regularly stream mini-seminars by in-house counselors
Care by health staff in the office	Implementing support when returning to work	Implementing a system to support returning to work with doctor specializing in mental health
	Establishing in-house consultation	Consultation by doctor specializing in mental health Consultation by in-house career counselor
Care by resources outside the office	Establishing external consultation	Telephone consultation and interview by external specialized agency

Global Health Management × Sustainability Walking Event "One Suntory Walk"

Content of the Policy

One Suntory Walk is a program aimed to raise awareness of health among the participants and make exercise a habit through competing the number of steps they take within a month. The program has been held every year since 2017 targeting all Suntory employees, totaling approximately 40,000. This event is considered to be an event that unite Suntory globally and help promote health management. Engaging in sustainability of water, source of Suntory Group's business activities, at a global scale is put forth as message and core aspect of the event to raise awareness among the employees.



Three Core Aspects of the Event



2021 activity results

One of the participants commented that awareness toward number of steps taken raise during October along with the will to increase them. In addition, walking rallies are held independently at each office at the same time, proving that the exercise is becoming a habit through events. We will continue to hold this event every year with "October is One Suntory Walk month" as the slogan.

- Number of participants: **7,014**
- Steps taken and distances traveled: **10.32 billion steps (786,607km)**
- Participating countries: **34**
- Total donations: **70,140 USD (7,715,400 JPY)**
10USD was donated per participant to MSF Covid-19 Crisis Fund of the Medecins sans Frontieres



Photo posted on the bulletin board by a participant

Sustainable Procurement

▼ Policies and Our Approach | ▼ Promoting Structure | ▼ Our Initiatives

Policies and Our Approach

Basic Policy on Sustainable Procurement

In order to offer our customers high-quality products and services, at the Suntory Group we believe it is crucial to promote sustainability throughout our entire supply chain. This means to give due consideration to environment and society, as well as to safety and reliability.

In 2011, in order to promote sustainability, we established the Suntory Group's Basic Policy on the Sustainable Procurement that consists of six main pillars - legal compliance, human rights and labor standards, quality, environment, information security, and the coexistence with society - that address global issues such as child labor, forced labor, freedom of association and collective bargaining, working hours, the guarantee of minimum wages, etc. In order to promote sustainability, we are raising awareness and deepening understanding with our business partners.

In order to avoid that our purchasing practices affect negatively the human rights of our suppliers' workers, we agree on estimated lead times in advance with our suppliers, and share our payment terms in advance. We also implement the necessary mechanisms and procedures so that payments are executed on the timeframe agreed with the supplier.

Furthermore, if we assume that there is a high human rights risk in one particular ingredient, we review our purchasing practices and strive to reduce the risk. For example, in some of our business units we switch to sustainable-certified palm oil in order to minimize human rights and environmental risks.

The Suntory Group's Basic Policy on Sustainable Procurement (Established 2011)

In order to provide high-quality products and services safely and reliably based on our corporate philosophy and our Code of Business Ethics, the Suntory Group engages in fair business practices and, in collaboration with supply chain business partners, promotes procurement activities that take social responsibility into consideration, mindful of such issues as human rights, labor standards, and the environment.

We build good partnerships with our business partners and contribute toward realizing a truly affluent and sustainable society.

1. Legal Compliance and Respect for International Standards of Conduct

We will promote fair and equitable procurement activities that comply with each country's laws and respect international standards of conduct.

2. Consideration for Human Rights, Labor, and Safety and Health

We will promote supply chain CSR initiatives that respect basic human rights and are mindful of labor conditions and safety and health.

3. Guaranteeing Quality and Safety

Aligned with the Suntory Group Quality Policy, we will promote supply chain CSR initiatives that seek to guarantee a high level of quality and safety based on the optimal standards for quality, cost, and supply.

4. Consideration for the Global Environment

Aligned with the Basic Principles of Suntory Group's Environmental Policy, we will promote procurement activities mindful of the global environment.

5. Preservation of Information Security

Confidential information regarding procurement dealings and personal information will be strictly controlled.

6. Coexistence with Society

We will promote social contribution initiatives directed toward coexisting within society.

Furthermore, as stated in our Human Rights Policy, we require our suppliers to understand and comply with the International Labour Organization (ILO) Tripartite declaration of principles concerning multinational enterprises and social policy and ILO Declaration on Fundamental Principles and Rights at Work. We expect compliance through the voluntary efforts of our suppliers, even if the ILO principles are not adequately protected by local law.

Establishing Supplier Guidelines

We established the Suntory Group Supplier Guidelines based on the Basic Policy on the Sustainable Procurement in June 2017 to contribute to the realization of a sustainable society while also accelerating sustainable procurement within the Suntory Group. These guidelines put in place specific compliance items required in each field from human rights and legal compliance to the environment for suppliers of Suntory in Japan and overseas to confirm the same ethical values are shared between the Suntory Group and its suppliers. Compliance with our human rights commitments is a prerequisite for engaging in a business relationship with suppliers, and we require signing our Code of Conduct/Supplier Guidelines to both new and current suppliers. If a serious law-breaking human rights violation is discovered and it is recognized that the supplier has no intention of improving even after communication, it may lead to the termination of the contract. In order to comply with our Supplier Guidelines, we are promoting joint efforts with suppliers, such as sharing those guidelines at supplier meetings or sharing related information through Sedex.

In addition, in terms of human rights commitments, we request suppliers to cascade down those commitments to their own suppliers.

[Suntory Group Supplier Guidelines PDF](#) 

Promoting Green Procurement

Green procurement is selecting items and services that consider the environment, such as by not including hazardous substances or efficient use of resources, when selecting ingredients, materials and equipment to purchase.

The Suntory Group has established Suntory Group Green Procurement Standard (revised 2011) based on the Suntory Group's Basic Policy on Supply Chain Sustainability and promotes procurement activities to lower environmental impact in corporation with each business partner.

Suntory Group Green Procurement Standard (revised 2011)

1. Basic policy

Suntory Group strives to purchase ingredients, materials and services that have the lowest environmental impact as possible for items and services used in the Group to build a sustainable society.

2. Prioritized items

- a) Consider not to use environmentally polluting substances, etc.
- b) Consider resource- and energy-saving through use of renewable resources, miniaturization, etc.
- c) Consider resources collection that does not damage the ecosystem
- d) Long-term use is possible through repair, parts replacement, etc.
- e) Whether it is reusable
- f) Whether it is design to be recyclable
- g) Whether it is easy to dispose or treat
- h) Whether if it is environmental information about the item is disclosed
- i) Consider the items is manufactured or sold by business operator that actively engages in environmental preservation such as acquiring ISO14001

Promoting Structure

Global Sustainability Committee

To promote sustainability management, the Global Sustainability Committee (GSC) acts as an advisory committee to the Board of Directors. The Group's sustainability strategies and the progress on priority themes (water, climate change, containers and packaging, raw ingredients, health, human rights and enriching life) are discussed in the GSC under the lead of the Chief Sustainability Officer.

▶ [For more information on the Global Sustainability Committee, see Environmental Management.](#)

Our Initiatives

Supply Chain-related Human Rights Due Diligence

The Suntory Group has established a Basic Policy on Sustainable Procurement, and in collaboration with our business partners, promotes initiatives to respect human rights throughout the supply chain.

In 2019, we joined Sedex, the world's largest ethical information sharing platform for suppliers. We request that our suppliers join Sedex and share information, including SAQ* participation, to enable us to identify issues, if any.

* Self-Assessment Questionnaire

▶ [For more information on supply chain risk assessment, see Respect for Human Rights.](#)

Activities for Stable Procurement of Raw Ingredients

With regard to agricultural products and other raw ingredients that are essential to our products, we cooperate with business partners across the supply chain, identify social and environmental issues, and promote sustainability initiatives that enable us to grow together, thereby enriching our communities.

It is predicted that extreme weather, such as drought and flooding, occurring due to the rise in the Earth's average temperature due to climate change will have a major impact on production activities, including causing fluctuations in production volumes and creating the need to move to other locations which offer suitable cultivation. Furthermore, with the increasing globalization of corporate activities, demand for right responses to social issues is growing, such as consideration for the human rights of people working in the supply chain. To offer our customers high-quality products and services, at the Suntory Group we believe it is crucial to promote sustainability throughout our entire supply chain. This means we need to give due consideration to environment and society, as well as to safety and reliability.

Based on this belief, the Suntory Group is formulating long-term strategy and promoting activities for optimum and sustainable procurement throughout the Group.

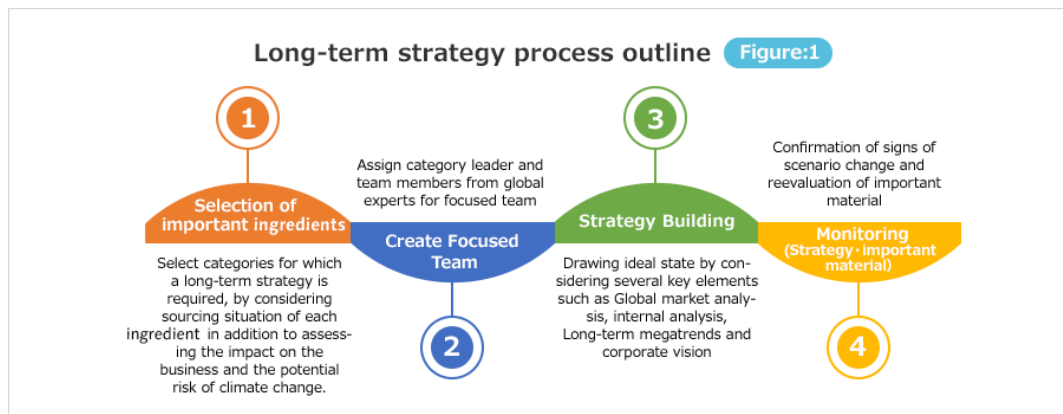
Overview of Long-term Strategy

The TCFD framework is used to formulate the strategy and we also referred to open scenarios from RCP2.6 (scenarios below 2°C), RCP 8.5 (4°C scenario) from the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA) for identifying risks and opportunities. The documents, information, and data referred to in this exercise are current as of the time of the review, and the analyses and calculations based on them are subject to uncertainty.

By focusing on our policies such as Environmental Vision toward 2050 and The Suntory Group's Basic Policy on Supply Chain Sustainability in addition to long-term trends specific to raw ingredients, we aim to create a vision of what we would like raw ingredient procurement to be in the future, find countermeasures based on the gaps between the current situation and be ready to respond to a wider range of social and environmental sustainability issues.

Activity Overview

The strategy development is based on the following steps:



1. Selection of important raw ingredients

- Identify ingredients that are particularly important for our business activities.
- Conduct risk assessment of ingredients handled in our business.
- Based on the results of the assessments, the ingredients category for which long-term strategies are to be formulated are selected through consultations with related parties.

<Risk assessment process>

1) Extraction of important raw ingredients

The impact is defined as the loss of product sales that the business would suffer if there were a problem with the supply of raw ingredients, and raw ingredients with a high impact were extracted as priority raw ingredients, including agricultural products such as barley and corn, the ingredient that undergo a certain processing such as sugar, vitamin C, and oak wood.

2) Risk Assessment

To evaluate the possibility of problems in the supply of the extracted key raw ingredients – the effects of climate change on yield and suitable areas for cultivation, which are considered to have the greatest impact on future supply, were studied and evaluated from the research and statistical perspectives. One of the results is shown in Figure 2. For raw ingredients that undergo a certain amount of processing, the risk assessment considers the impact of climate change on the production area of the base ingredient and the ratio of raw ingredients used in the process. (Example: for sugar, see the results of climate change impact assessment for sugar cane and sugar beet)

Based on the above approach, we found that the yields of agricultural raw ingredients such as barley and corn used in both alcoholic beverages and non-alcoholic beverages, oak and hops used in the alcoholic beverage business, coffee beans used in non-alcoholic beverages, will be significantly impacted in several production areas.

Figure 2: the results of a climate change impact study

4°C temperature increases scenario in 2050: Study of the effects of yield and suitable land on major raw ingredients and production area

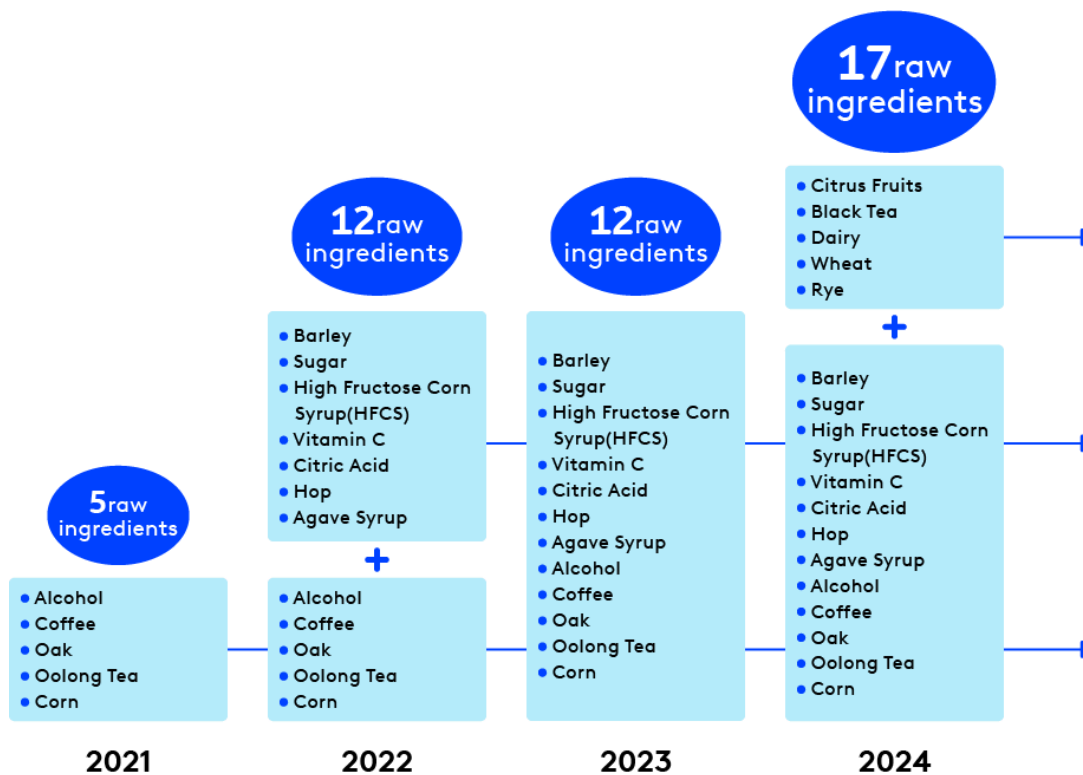
Business Sector	Ingredient	North America	Latin America	Asia	Europe/Africa	Oceania	-/+ Impact		
							Below 10%	More than 10% ~ below 50%	More than 50%
Alcoholic and non-alcoholic beverage*	Barley	Canada Yield : ↓↓			UK Yield : ↓↓ France Yield : ↓↓		↓↑	↓↓/↑↑	↓↓/↑↑↑
Alcoholic and non-alcoholic beverage*	Corn	USA Yield : ↓	Brazil Yield : ↓	China Yield : ↓↓					
Alcoholic and non-alcoholic beverage*	Sugarcane		Brazil Yield : ↑↑↑	Thailand Yield : ↑↑					
Alcoholic beverage	Oak	USA Wood quantity : ↑↑		Japan Suitable land : ↓↓↓	Spain Suitable land : ↓↓↓				

Alcoholic beverage	Hop	USA Yield : ↓			Germany Yield : ↓ Czech Yield : ↓	
Non-alcoholic beverage	Coffee beans		Brazil Yield : ↓↓ Colombia Yield : ↓↓ Guatemala Yield : ↓↓			

* Include origin of processed ingredient

3) Formulation of activity plan

Based on the results of the survey, we consulted with the relevant departments and selected the following raw ingredient commodities (see figure below), for which we are promoting activities.



Note) Coffee refers to the results of a climate change impact study on coffee beans. Similarly, sugar refers sugarcane etc. HFCS, vitamin C, and citric acid refer to the results of a climate change impact study on corn.

2. Creation of focused teams

- A taskforce consisting of experts within the group from various departments such as research, development, procurement, and quality assurance is formed to work on the selected ingredients

3. Building strategy

- Analysis of market, company, and trends by team of experts
- Analysis of future world scenarios and description of the ideal state within those scenarios
- Design of activities by backcasting from the future world back to the present to set issues

4. Strategy monitoring

- Monitoring of signs of scenario change and strategy revision based on prior assumption of change
- Revising road map of strategy building by reevaluating ingredients risk

Strategy Execution

The long-term strategy formulated by the team of experts is discussed with each operating company to promote its activities. The Global Sustainability Committee, which is an advisory body to the Board of Directors, also discusses the strategy on a regular basis.

Progress of Activity in 2023

Strategic Implementation Based on the Roadmap Formulated in 2022







The focused task force set its time axis to 2050 with respect to the relevant raw ingredient categories, and considered publicly available scenarios from the IPCC, IEA, and other organizations. It then considered possible business impacts as of 2050 from an environmental perspective, including the impact of climate change, as well as from a social perspective, including human rights. The task force also considered the best path to the desired state of raw ingredient procurement, based on trend analysis and company goals.

As part of the task force discussions, the business impact of future climate change was reassessed by utilizing S&P Global's Climonomics platform.*

Last year, the focused team calculated monetary impacts for three key raw ingredients (coffee, oolong tea, and corn). This year, after further discussion, barley, sugarcane, and sugar beets were added to the analysis, and monetary impacts for a total of six key raw ingredients were calculated.

As shown in Table 3, based on the task force's December 2023 analysis, the total business impact of the 4°C scenario as of 2050 is projected to be a positive 18.0 billion. Prices of coffee, oolong tea, corn, and barley are projected to rise due to falling output, raising procurement costs. At the same time, sugarcane and sugar beet prices are projected to decrease on higher output, resulting in a positive business impact.

(Figure.3) Impact on business

Key Raw Ingredients	Business Impact
 Coffee	8.0 billion yen
 Oolong Tea	0.5 billion yen
 Corn	2.5 billion yen
 Barley	2.0 billion yen
 Sugarcane	-4.5 billion yen
 Sugar Beet	-0.5 billion yen
Total: 8.0 billion yen	

* Currency exchange rate 1USD=145 JPY

* Scope of company: Suntory Global Spirits Inc., Suntory Beverage & Food Limited, Suntory Spirits Ltd.

* For corn, calculations included alcoholic beverage and food use, including processed raw ingredients

* For barley, calculations were made for alcoholic beverage use only

* Climonomics covers recommended disclosure items in accordance with the TCFD framework, based on comprehensive scientific data. By entering company information (for raw ingredients, purchase amounts) into the service, one can determine at a glance which company assets and crop-growing areas are likely to be impacted by climate change at any time up to 2100, and which areas are potentially at risk.*

Example of Activities Derived from Specific Strategies

Addressing human rights issues like forced labor and child labor, as well as environmental issues like reducing greenhouse gas (GHG) emissions from agriculture, restoring soil biodiversity, and effectively using water, is becoming increasingly important upstream in the supply chain.

Suntory Group is engaged in a range of initiatives for its own supply chain, in collaboration with production areas, to realize sustainable agriculture.

1.Participation in Sustainable Agriculture Initiatives

We are further promoting sustainable raw ingredients procurement by undertaking such initiatives as building networks, and engaging in collaboration, with companies and private organizations that are leaders in sustainable agriculture.

(1) Sustainable Agriculture Initiative (SAI) Platform

Recognizing the need for enhanced sustainability of agricultural raw ingredients cultivation, Suntory Group became the first Japanese company to join the Sustainable Agriculture Initiative Platform, an international organization launched in 2002.

➤ For more information, see [Suntory Group Joins the Sustainable Agriculture Initiative \(SAI\) Platform](#)

(2) VIVE

We are a member of VIVE, an international organization supporting sustainable procurement of agricultural products, mainly sugarcane, based on our sugar strategy. We were the first Japanese company to join this organization.

➤ For more information, see [Suntory Group Joins International Organization VIVE to contribute to sustainable sugarcane procurement](#)

2.Sustainable Sugar Procurement Initiatives

We are implementing supply chain initiatives for sustainable agriculture in nine areas of agricultural production.

No.	Raw Ingredients	Source	Details of Initiative
1	Coffee	Guatemala	➤ Promoting Sustainable Procurement in Upstream Supply Chain for Coffee <Guatemala>
2	Coffee	Brazil	➤ Promoting Sustainable Procurement in Upstream Supply Chain for Coffee <Brazil>
3	Coffee	Uganda	➤ Promoting Sustainable Procurement in Upstream Supply Chain for Coffee <Uganda>
4	Corn	USA	—
5	Barley	UK	➤ Initiative to Procure Malting Barley Produced through Regenerative Agriculture
6	Sugarcane	Thailand	➤ Suntory Launches Low Carbon Sugarcane Farming Project in Thailand in Collaboration with VIVE Programme and KTIS
7	Agave	Mexico	—
8	Cassis	UK	➤ Supporting Sustainable Agriculture of Blackcurrant Farmers
9	Grape	Japan	➤ Challenging Climate Change with a New Cultivation Technique for Wine Grapes

Next Step

Based on activity plans for strategy development and ongoing dialogue with operation unit, we will keep forming focused taskforce for important raw ingredients, build long-term strategies, and share formulated strategies within the Suntory Group. In addition, based on the formulated strategy, we will consider and proceed initiatives for regenerative agriculture, which is expected to have mitigation and adaptation effects for high climate change risk ingredients or high GHG emissions ingredients in future.

In Strategy Monitoring, we will periodically check for the occurrence of events such as the junctures of multiple possible scenarios and the success of technological innovations necessary to achieve the desired goals. This will enable us to capture important changes as much as possible in advance and revise the strategy to incorporate them.

We will also revise road map of strategy building by regular reevaluating ingredients risk.

Collaboration with Suppliers

Suntory Group is promoting pioneering initiatives in collaboration with diverse partners to reduce GHG emissions and address environmental and social challenges, such as human rights, throughout the value chain.

Initiative to Procure Malting Barley Produced through Regenerative Agriculture

To reduce greenhouse gas (GHG) emissions originating in raw ingredients, Suntory Group is collaborating with malt supplier Muntons, agricultural consulting firm Future Food Solutions, and barley farmers, and implementing a range of initiatives in a project to procure barley for malting produced through regenerative agriculture^{*1} in the United Kingdom.

Through agricultural approaches such as the use of cover crops^{*2} and no-till farming, the project hopes to reduce GHG emissions from agriculture by 50% within five years while regenerating soil biodiversity, enhancing soil fertility, reducing chemical fertilizer and pesticide use, and using water more effectively.

*1 Agricultural methods that focus on enhancing soil fertility by regenerating its ecosystem to make crop production sustainable

*2 Cover crops that can enhance soil fertility by supplying organic matter to the soil, preventing erosion, etc.



Initiatives in Collaboration with Green Tea Production Area

In order to promote sustainable procurement of tea leaves used for green tea beverages, the Suntory Group has launched a long-term initiative in collaboration with tea production area. Collaborating with Kuma Regional Agricultural Cooperative (JA Kuma), we have succeeded in reducing GHG emissions by more than 30%* compared to the general method by introducing an environmentally friendly process in the tea leaf production process at JA Kuma. In addition to pursuing high-quality tea production, we hope to contribute to the continuation of tea production in the region and the training of successors in tea farming.

* Emissions per unit production weight in the production of green tea raw ingredients in the process from leaves to Aracha tea



Supporting Sustainable Agriculture of Blackcurrant Farmers

Suntory Beverage & Food Great Britain and Ireland (SBF GB&I) manufactures and sells Ribena, a soft drink loved by many in Europe and other regions. 90% of the blackcurrants grown in the UK are used by this iconic juice drink brand. SBF GB&I began supporting sustainable agriculture of blackcurrant farmers in UK from 2004. SBF GB&I employs agronomists, that directly advice farmers and design biodiversity plans according to the biological habitat of each farm and surrounding area to protect the ecosystem of rivers and wetlands. We also conduct research on new species of blackcurrant that are resilient to climate change. In July 2020, a new variety of blackcurrant that is more resilient to climate change named Ben Lawers blackcurrant was harvested. This was a result of a long-term joint research with the James Hutton Institute, a research institute for agriculture.



[▶ -STORIES- Protecting UK Blackcurrants and Their Growers: Sustainable Agriculture Support Program](#)

Promoting Sustainable Procurement in Upstream Supply Chain for Coffee

<Guatemala>

The Suntory Group is supporting Guatemala coffee export company Unex on promoting their program “farmer aid,” aimed at helping coffee farmers to tackle different environmental and social challenges and strengthen the sustainability of the coffee beans they produce. The farmer aid program is based on 4 pillars: health, education, sustainability, climate change. In 2022, The Suntory group financially supported this program in 2 ways:



(1) Child care center in Alotenango

This child care center is open during school holidays (from October to January) and is used as a free education and recreation place for coffee farmer's children, and also serves the purpose of minimizing the risk of child

labor by taking care of the children during harvesting season. The center also provides medical services to both children and their parents.



(2) Coffee Farmer Training in Santa Barbara

We are supporting the current sustainable practices of the farm via training providing which benefits small producers to strengthen their coffee production and improve their families livelihood. We also empower women through farming practice trainings in order to contribute to a better livelihood for them and their families. Through the farmer aid sponsorship, we are being able to create positive impact on approximately 300 families, including children, in Guatemala.



<Brazil>

In order to expand our human rights diligence efforts to upper tiers of our supply chain, we are planning to formalize a partnership with Itochu and their local partner in Brazil Sucafina to start a pilot program to assess and support coffee farmers in the Cerrado region of Brazil.

The pilot leverages Sucafina's responsible sourcing program "IMPACT," and its founded on 5 main pillars: carbon emissions, deforestation, human rights, living income, and regenerative agriculture. IMPACT standard verification ensures compliance with 80 social, environmental, and economic standards modelled on the Global Coffee Platform's Sustainability Reference Code, with independent audits done every 3 years. Regarding human rights, IMPACT has key indicators such as health and wellbeing, forced labor, child labor, freedom of association, grievance, working hours, discrimination and land rights. From now on we will monitor and improve the working conditions of the targeted farms during the initial 3 years of this pilot.



[> For more information, please visit the Sucafina website. !\[\]\(aa53ad6fea213b8b2226d3077e30533a_img.jpg\)](#)

<Uganda>

To promote environmental (GHG reduction, etc.) and human rights due diligence activities for coffee farmers in Africa, Suntory Group participated in a pilot program to evaluate and support coffee farmers in Uganda. The program, which included an examination of local conditions, was conducted by MC Agri Alliance and Olam, a Singapore-based general agricultural trading company.

This pilot program utilizes Olam's AtSource sustainable procurement program to evaluate and support farmer activities to enhance livelihoods, plant trees to reduce GHG emissions and prevent deforestation, provide guidance on efficient fuel use, and improve farmers' livelihood infrastructure.

In particular, the program helps participating farmers improve their living conditions by providing them with water filters for safe water, and stoves with high thermal efficiency that reduce the time required for women to prepare food. Farmers targeted by the program have virtually no gas, electricity, or water supply infrastructure, living instead by storing rainwater and burning wood. Through guidance on farming, the project is providing infrastructure to support farmers' livelihood income by showing them how to plant crops that are self-sufficient and have high cash value, including bananas, soybeans, cotton, sesame, and corn in addition to coffee.

Water purification filters make rainwater safer to drink, while cooking stoves help ease the burden of time and labor facing women whose only previous option was to cook over woodfires. Cooking stoves also help reduce GHG emissions and deforestation, another goal of the program. We also conducted interviews regarding educational and medical structures for children, who make up the majority of farmers. We were able to verify that while such school infrastructure as classrooms with desks and chairs is progressively improving, some schools lack textbooks and computers, and efforts to expand medical facilities face challenges.

AtSource conducts third-party audits to evaluate support initiatives and their effectiveness. This ongoing monitoring makes possible continuous initiatives to help target farmers.



Engagement with Local Coffee Farm to Improve Community Resilience

The Suntory Group procures a portion of its coffee beans, from the "Fazenda Bau" farm, which is a specialty coffee farm in Minas Gerais, Brazil, as we aim for the highest quality and sustainable supply of coffee beans. Fazenda Bau has acquired international sustainable certifications, and their thorough quality management and workplace environment are highly praised.



Fazenda Bau has been engaging in a wide range of activities to promote sustainability, turning their attention to labor practices and the labor environment, conducting efforts such as courses on the health and safety of employees, as well as courses about motivation and human relationships in the workplace, among other initiatives. Environmental conservation activities such as separating trash and comprehensive management of the water intake as well as tree planting initiatives show their awareness regarding their impact on the environment. In addition, the Fazenda Bau have been engaging in a support project at a neighboring school since 2011 with the purpose of contributing to the local community.



Supplier Engagement and Educational Activities

The Suntory Group strives to promote sustainable procurement together with all of its business partners in the supply chain.

In addition to providing education to our employees, we hold annual policy briefings for our major business partners, such as raw material suppliers, contract manufacturers, and logistics partners. We are promoting better awareness and support for sustainability initiatives within each company or in cooperation with the Suntory Group by introducing Suntory Group initiatives and providing questionnaires.

Collaboration with Logistics Partners

As of the end of 2023, the Safety Committee launched in collaboration with our logistics partners had 325 members from 76 companies promoting initiatives to ensure safety, environmental friendliness, and risk management. The committee holds an annual Safety Promotion conference for managers of 150 sites nationwide, including distribution centers, warehouses of logistics partners, and transportation and delivery operations. At this convention, we conduct thorough safety education through study sessions and contests, share information by introducing outstanding case studies, and present awards to outstanding drivers and logistics bases to encourage and strengthen safety initiatives of each company. To underpin safety management levels at our logistics subcontractors and improve them continuously, we promote Top Safety Site certification, an initiative of the Ministry of Land, Infrastructure, Transport and Tourism. As of the end of 2023, 635 of the Suntory Group's 1047 logistics partners had already acquired certification, and 98 were scheduled to acquire certification in 2024, bringing the total certification rate to 70%. In 2008, the scope of certification was expanded from direct subcontractors to secondary subcontractors, to further strengthen safety management systems for transportation and delivery.

Industry Collaboration Initiatives

In addition, the Suntory Group participates in the Consumer Goods Forum Japan*, which promotes distribution networks of consumer goods across the industry, to reduce the environmental impact of the Suntory supply chain.

* The Consumer Goods Forum Japan is an organization primarily made up of companies in the consumer goods distribution industry that engages in cooperative manufacturing, distribution and sales efforts to address common challenges in non-competitive industries in Japan.

Rigorously Engaging in Fair and Equitable Business Practices with Suppliers

In our dealings with suppliers, we provide each company with an opportunity for equitable competition in keeping with our Purchasing Control Regulations and our Business Partner Selection Standards, based on the Suntory Group's Basic Policy on Supply Chain Sustainability. At the same time, we fairly evaluate efforts regarding the quality and supply capabilities of the products and services, financial status, assured safety, environmental conservation, and social contribution of each company, when we select new suppliers or determine whether to continue business with our existing business partners.

By joining forces with our business partners as mutually reliable partners, we aim to provide products and services that delight our customers.

[▶ Suntory Group Standards for Business Conduct](#)

Positive Choices

▼ Policies and Our Approach | ▼ Our Initiatives

Policies and Our Approach

We believe that as a consumer-oriented company, it is important to support the pursuit of a balanced lifestyle both in body and mind. Our consumers have different needs and preferences at different life stages, and through our diverse business activities, Suntory Group will support consumer wellness at each of those stages. By offering choice in products, services and experiences through our soft drinks, health foods, alcoholic beverage and other businesses, as well as by innovating in relevant fields, we will support the wellbeing and balanced lifestyles of our consumers.

Soft Drinks

In addition to leveraging Japan-led research on and development of “Natural and Healthy” beverages, Suntory Beverage & Food address health and wellness concerns through beverages to allow consumers to make positive choices in pursuit of a natural, healthy, convenient and rich lifestyle.

Suntory Beverage & Food Limited Health Policy

1. In order to satisfy the health needs of consumers worldwide, we will continue to expand our portfolio of products which satisfy your taste buds, body and mind, as well as provide services to contribute to healthy and positive lifestyles.
2. We will perform research that contributes to the health of consumers and will develop more natural, healthy products for world by using the expertise we have cultivated in Japan over many years in developing beverages which are sugar-free, low-sugar, and fortified for better health.
3. We will base labeling and communication on the guidelines from government agencies and industry groups in each country and region, and will endeavor to make it easier for consumers to select healthy beverages.
4. We will contribute to solving global health issues through joint research with external specialized institutions and through other communication with various stakeholders.

Alcoholic Beverages

As a provider of alcoholic beverages including beer, wine and spirits, Suntory seeks to inspire human connections and to celebrate the milestones of our lives. To this end, we are committed to promoting the moderate consumption of our products and encouraging responsible choices surrounding alcohol. With our Drink Smart alcohol responsibility program as a core, we work both within Suntory Group and in partnership with industry peers and other partners to reduce harmful consumption of alcohol, including overconsumption, driving under the influence, underage drinking, and drinking during and after pregnancy. We also offer non-alcoholic and low-alcoholic products to meet customer preferences and support healthy lifestyles.

➤ [Responsible Consumption - Suntory Group's Principle and Course of Action](#)

Health Foods

With an aim to realize a society where everyone, regardless of age, can live a full and fulfilling life being true to themselves, Suntory Wellness supply health food and beauty products to a total of over 2 million customers annually through mail order. To help customers begin to live a wellness life – a healthy, beautiful and fulfilling life, we offer them reliable products harnessing the power of nature that are scientifically proven to provide health benefits, through a heart-to-heart dialogue with each customer.

Our Initiatives

Soft Drinks

Expanding Our Lineup of Products that are Healthy for the Mind and Body

For decades the expansion of the world beverage market has been driven by consumer demand for drinks, especially carbonated products, which contain large amounts of sugar. In recent years, there has been an accelerating shift in demand toward healthier and more natural drinks. Utilizing knowledge gained through many years of research in Japan regarding the development of low- and no-sugar beverages (such as tea and water), we are developing new beverages that are healthy for the mind and body.

In Vietnam and Thailand we released Tea+ Oolong Tea, an oolong tea with Oolong Tea Polymerized Polyphenols (OTPP) that reduce fat absorption and mitigate the raise of neutral fat in blood. These products have been received positively by consumers.

We have also released a low-sugar iced tea called MayTea in Europe. MayTea comes in a variety of flavors and was developed using Suntory's expertise in tea products.

In addition to beverages, we also offer health foods. Under the BRAND's umbrella, we offer the much-loved Essence of Chicken supplement drink in Thailand and other Asian countries. Essence of Chicken is an all-natural extract made of fine quality chicken without artificial chemicals or preservatives.



Initiatives on Low- and No-Sugar Products

Suntory Beverage & Food is developing products that contain amounts as minimal as possible of sugar, artificial coloring, and artificial flavoring. In Europe, we have set a target to reduce the use of sugar in all our products by 35% by 2025 compared to 2015. We have already made progress toward this goal, and as the end of 2022, we have succeeded in reducing the amount of sugar used in our products by 24% compared to 2015. As well as reformulating our drinks to lower the sugar content we are also putting investment behind our lower-calorie brand such as Lucozade Zero in the UK.



In France, we reduced total sugar use in our flagship Oasis brand by 2,200 tons in 2022. In the UK and Ireland, we have added zero- and low-calorie options across our major brands. In the Ribena line of concentrated fruit juices, we reduced sugar content by 0.2 grams per 100 ml. Thanks to investments in product development and marketing, sales of products with less than 5 grams of sugar per 100 ml have tripled since 2015.

In Oceania, we aim to increase the portion of our portfolio that is low- and no-sugar to 1/3 by 2030. As a road map for achieving the goal, we will promote 1) Lower sugar through innovation, leveraging Suntory Group relationship 2) Introduce greater choice through new products, 3) Continue to introduce smaller pack sizes. As of 2022, one in six drinks sold become low, or contain no sugar.

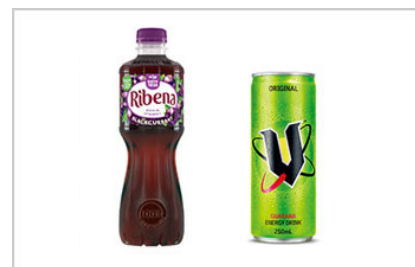
Developing Food for Specified Health Uses and Foods with Function Claims to Address Health Issues

To help address social issues such as the rise in lifestyle diseases like obesity and high blood pressure, Suntory Beverage & Food offers a variety of products known in Japan as food for specified health uses (FOSHU) with proven benefits backed by research. This lineup includes: Black Oolong Tea OTTP, developed based on research showing oolong tea's polymerized polyphenols have the effect of inhibiting fat absorption; Suntory Goma Mugicha (barley tea), suited for people with high blood pressure; Pepsi Special Zero, which inhibits fat absorption; and Tokucha (FOSHU Iyemon), the world's first drink to clarify the lipolytic action of quercetin glycoside. The portfolio also includes other products like Iyemon Plus, a functional claim beverage that can lower LDL (bad) cholesterol. While seeking to eliminate negative health impacts and contribute positively to our customers' well-being, we also emphasize great taste, pursuing research and development to ensure that our products are both healthy and great-tasting.



Reducing Artificial Colorings and Flavors

Suntory Beverage & Food focus on developing products that use a minimal amount of artificial colorings and flavors. In Europe, we have set a target to remove artificial colorings and flavors by 2025. In France, our product Oasis was renewed to a recipe which uses less sugar and only 100% natural ingredients.



Appropriate Information Disclosure

Suntory Group strives to offer information related to safety and reliability to the customers in an appropriate and timely manner. We also indicate information on product labels, commercials, and ads in a way that is clear and avoid misunderstanding. Furthermore, Suntory Group's Code of Business Ethics stipulates that we must conduct responsible marketing as a corporate group that offers diverse products and services.

We promote the display of accurate product information in a way that is accessible and easily understood by consumers. In order to ensure the accuracy of product information, we collaborate with the related divisions in charge of development and production, and also confirm the compliancy and accuracy of disclosed information through our Quality Assurance Division.

In Japan, Suntory conducts thorough reviews of raw ingredients used in our products in order to display energy, carbohydrates, and sodium chloride (salt equivalent) as well as confirm the need for allergen labeling. We are sure to include not just the 8 items required by law to be shown on our labels, but the 20 items recommended to be displayed.

In Oceania, adapting the Health Star Rating[†] food labeling scheme for the customers to make choices on which product to choose.

[†] Health Star Rating System...A front-of-pack labeling system that ranks and labels packaged food's overall nutrition profile from half a star to five stars.

[> Product Information](#) 

Responsible Marketing

Suntory Beverage & Food Europe participate in UNESDA's[†] responsible marketing in schools program.

We have become a founding signatory of the new EU Code of Conduct on Responsible Food Business and Marketing Practices in 2021. Our commitments towards reformulation of our drinks, food waste reduction and the creation of sustainable packaging fully support the EU's objective to place healthier products on the market and to support the transition towards a circular economy.

The UK has created its own voluntary marketing code to ensure that responsible corporate citizenship is at the heart of everything we do. This includes our commitment not to directly market products categorized as high in fat, sugar and salt ("HFSS") to consumers who are under the age of 16, and under the age of 18 in Ireland.

In France, we volunteered in 2009 to not communicate on screens and in magazines aimed specifically at children under the age of 12-year-old. Since 2013, our commitments go further because we prohibit all advertising in generalist programmes where children constitute more than 35% of the audience.

In Spain, our code of marketing practice specifically states that we do not advertise to children under 12 years of age or sponsor events aimed at children in schools. We also convey messages in all our advertising campaigns promoting healthy lifestyle habits. In Oceania, we are ensuring our marketing activities are responsible and do not actively target children. Also we partnered with New Zealand government as part of the Healthy Kids Industry Pledge. We directly sell only water to primary and intermediate schools in New Zealand.

[†] UNESDA = Union of EU (European Union) Soft Drinks Associations

Organic Product Initiatives

In Japan, Suntory Beverage & Food has released limited-edition products made exclusively from organic ingredients, including Craft Boss Special Soy and Milk Latte made with organic coffee beans and Craft Boss Tasty Sugar-Free Black Tea using organic tea leaves and organic lemon juice.

Proposal of Healthier Lifestyle

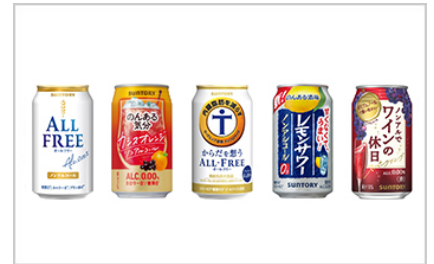
In accordance with our aim to be a company which promotes consumer well-being, we launched the "100 Year Life Project" in 2018 in Japan. This project supports consumers in their efforts to achieve healthy and positive lifestyles in line with their own goals. We also promote joint research with external experts, conduct research and development to strengthen our portfolio of beverages that address lifestyle diseases, and run programs to improve lifestyle habits.

In Europe, we published the Moving on Health and Wellbeing Report and are promoting various initiatives such as providing active lifestyle programs to

approximately one million people, reducing the amount of sugar used in our major brands by half, engaging with employees to develop more effective health programs in the office, and promoting the physical and mental wellbeing of all employees in the workplace.

Alcoholic Beverages

In addition to raising awareness regarding responsible drinking, Suntory Group is striving to promote non-alcoholic drinks for a broad range of adult consumers of legal drinking age to enjoy without worrying about the effects of alcohol. In 2010, we launched "All Free" and in 2011 "Non-aru-kibun", pioneering the creation of a market for non-alcoholic beverages with an alcohol content of 0.00%. In recent years, we have expanded our product lineup with the release of "All Free for Your Body," a food with functional claims that responds to growing health consciousness, "Non-aru-banshaku Lemon Sour Non-alcoholic," a lemon sour-flavored beverage, and "Non-alu-de-wine-no-kyujitsu," a new wine-flavored non-alcoholic beverage.



➤ [For more information, see Responsible Drinking](#)

Health Foods

Sesamin – From Elucidation of Function to the Launch of Health Food Product

Taking on the challenge of clarifying the functions of sesame, which has been known to be good for health, we have scientifically proven the health benefits of "Sesamin," one of the sesame lignans found in a small amount in sesame seeds. We commercialized it into our first health food product in 1993.

Subsequently, we launched "Sesamin EX," a powered-up version that combines vitamin E, tocotrienols, and brown rice-derived ingredient "Oryza Plus."

Suntory Wellness also sells a variety of other health food products such as "DHA & EPA + Sesamin EX," "Locomoa," and "Omega Aid."



Making each Customer's lifestyle shine throughout their lives

As customers get older, their health conditions, way of living and purpose in life change, causing their lifestyles to become more diverse. At Suntory Wellness, we help customers of all ages live full and bright lives, by providing products and services that meet their individual needs throughout their lives, leveraging the power of science that we have cultivated over many years, the power of communication we have mastered through our close engagement with customers, as well as the latest digital technology.



With this in mind, Suntory Wellness promote "Be supporters!" project which is built around the concept of "providing opportunities to shine for everyone who wants to be excited no matter how old they are." This project aims to make people who usually need support for daily lives such as elderly people living in nursing care facilities and people with dementia, become healthy both physically and mentally by encouraging them to become supporters of a local soccer club.

Promoting Communication with Customers

We are delivering a wide-range of information to customers through our website and booklets



Suntory Global Innovation Center website



Healthy Drink NAVI website



Suntory Wellness website (Japanese)

Responsible Drinking

▼ Policies and Our Approach

▼ Promoting Structure

▼ Our Goals

▼ Our Initiatives

Policies and Our Approach

As a company dedicated to the responsible manufacturing and sale of alcoholic beverages, we play an active role in addressing the issues around alcohol-related harms.

"DRINK SMART" approach by the Suntory Group

Harmful use of alcohol can impact not only the individual's health, both physical and mental, but also harm to others including family, workplace and community through a variety of social issues.

Reducing alcohol misuse is one of the global health targets established by the World Health Organization (WHO). In Japan, Ministry of Health, Labour and Welfare adopted the "Basic Plan for Promotion of Measures against Alcohol-related Harm" in 2016 to prevent and reduce alcohol-related harms including alcohol use disorder and putting them as a national priority. Our "DRINK SMART" goal is to ensure that people have a proper knowledge of alcohol for a healthier and enriching life by getting along well with alcohol.

Reducing the harmful use of alcohol is an important issue for society.

The Suntory Group is actively promoting responsible marketing practices and "DRINK SMART" activities to raise moderate drinking awareness.

Responsible Consumption - Suntory Group's Principle and Course of Action

Basic Principle

The Suntory Group strives to prevent misuse of alcohol and raise awareness of responsible consumption thus contributing to healthy lifestyles:

1. We recognize the intoxicating effects of alcohol and its potential for misuse, which can lead to various physical, mental and social issues, and we strive to prevent alcohol-related harms.
2. We strive to create a culture of responsible consumption in which differences in physical constitution and conditions, as well as drinking styles or attitudes towards alcohol, are respected. We understand and respect that for some people, the best choice is not to consume alcohol.
3. We recognize that responsible consumption can support a well-balanced lifestyle and that it can play a positive role in social occasions; we strive to promote responsible consumption whenever alcohol is consumed.

Course of Action

1. We are committed to responsible marketing, providing consumer information and responsible product innovation.
2. We actively cooperate in social activities, including but not limited to;
 - Eliminating under legal drinking age drinking
 - Eliminating drunk driving
 - Eliminating binge drinking
 - Eliminating alcohol related harassment
3. We will comply with laws and industry standards.

Promoting Structure

In 1976, the Suntory Group established the Suntory Advertising Code, making it an industry leader in exercising self-regulation in its promotions and advertisements related to alcoholic beverages. We subsequently established the Alcohol Responsibility and Sustainability (ARS) Committee and the Global ARS Department in 1991 to address alcohol-related problems. We focus on (1) responsible marketing, (2) promotion of moderate drinking. In 2021, we declared the New DRINK SMART COMMITMENT^{*1} toward Suntory Group employees in Japan. We designated every November as the Suntory Group ARS Month and strengthen our initiatives.

^{*1} The DRINK SMART COMMITMENT was declared in 2018. The new COMMITMENT was declared in light of the changes in the environment surrounding alcohol since then. It consists of two tenets: "All Suntorians have the correct knowledge about alcohol and will drink in a respectful and considerate manner." and "All Suntorians recognize that we are a member of the world's leading liquor company group, and we will promote responsible drinking as we regard others as valued customers."

Our Goals

Under "DRINK SMART" commitment, the Suntory Group has been leading the industry by actively addressing the alcohol-related problems. We will continue to engage in the initiatives to raise awareness of responsible drinking for the consumers and also for the employees globally.

Goals in Japan

Key Performance Indicator	Targets	Results by 2023
Reach out to consumers in Japan with messages of "Drink in Moderation" (by the end of 2024)	100 million people in total	Reaching 78 million people by the end of 2023. In addition to placing advertisements in newspapers and digital media promoting moderate drinking, we also opened a pop-up shop called "Hodo-Hodo Gallery & Bar" and held seminars for companies and universities as direct communication to raise awareness of moderate drinking.
Provide alcohol content information on the packaging (sequentially from February 2022 onward)	Domestically produced beers, RTDs*, wines in cans	We have started labeling the information on certain domestic products in February 2022 and completed the labeling for all target products at the end of 2023. *Excluding 250ml beer cans
Intensify development and sales of non/low-alcohol products in Japan	In major categories	We expanded our portfolio by launching selection of non-alcoholic products. We have held campaigns and events to promote the non-alcoholic beverages, such as limited-edition bars that featured our non-alcoholic beverage.
Employees to participate in programs aimed at raising awareness of responsible drinking (by the end of 2022)	All Group employees in Japan	99% of employees of group companies in Japan have participated in the e-learning program. In addition, we provided alcohol metabolism genetic testing for applicants.

* Abbreviation for "Ready to Drink." Pre-mixed alcohol beverages such as canned chu-hi, canned cocktails, and canned highballs.

Goals in Overseas

Suntory Global Spirits Inc. promotes proper drinking awareness through its DRINK SMART[®] program. To further elevate the commitment to reducing harmful drinking and empowering consumers to make the right choices for them, we are progressing goals that include:

- Investing \$500 million to promote responsible decisions and positively impact behavior by significantly expanding responsibility-led brand communications, elevating the Drink Smart platform, and supporting evidence-based partner programs.
- The company aims to engage more than 300 million consumers by 2030 with messages and tools designed to promote responsible decisions and reduce harmful drinking.

- Enabling expanded choices by developing, introducing and investing in awareness of low- or no-ABV products in key categories, including whiskey, tequila, gin, vodka and ready-to-drink, by 2030.

- Providing nutrition and alcohol content information on packaging or online for 100 percent of products by 2030.

[Suntory Global Spirits Proof Positive](#)

Our Initiatives

Practice Responsible Marketing

The Global ARS Department reviews all marketing activities for products containing alcohol prior to launch. In 2006, we systematized pre-screening for product labeling and in 2007, we revised our internal standards for advertising and sales promotion activities for alcoholic beverages to further strengthen our activities. Since 2007, we have continued to promote responsible marketing activities by updating our standards in cooperation with industry associations and by conducting regular training sessions in relevant departments.

Continuous Enhancement of Marketing Standards (Industry / Internal)

We support and continuously enhance self-regulatory marketing standards in partnership with the Council on Alcohol Consumption, as well as follow our own internal marketing code to correspond with societal trends. We introduced warnings for pregnant and nursing mothers in all communications beginning in 2010. We also ceased TV ads between 5:00 am and 6:00 pm.

Based on the "Alcohol Health Disorder Countermeasures Basic Law" enacted in 2014, we are taking independent measures to prevent the abuse of alcohol such as setting the age of celebrities appearing in TV ads to 25 and older, and removing the sound effect of "gulp" when drinks go down the throat.

1.Promoting Non-alcoholic Drinks

The Suntory Group is striving to promote non-alcoholic beverages to respond to a broad range of consumer interests and occasions.

We established the same internal marketing standards on these products as alcohol products in order to ensure that all marketing activity is directed only to legal drinking age adults in each region.

The market for non/low-alcohol beverages is expanding due to diversification of consumers drinking behaviors influenced by the COVID-19. We are going to continue to lead this growing market, by further improving the quality of our existing products and developing the new product lineup.

[Suntory Group's Non-alcoholic Drinks](#)

2.Warning Labels on Package

All our beverage alcohol products carry health warning messages to pregnant and nursing women and warning messages to stop under 20 drinking, based on the voluntary standards established by the alcohol industry. We also put alcohol beverage symbols on beer and RTD (ready-to-drink) beverages that are low in alcohol to prevent accidental consumption.



3.Establishing Age Verification Gates to Alcohol Brand Website

Since 2015, we have used age gates to our alcohol brand websites in order to confirm visitors are at least 20 years of age, the legal drinking age in Japan.



4. Conducting Seminars for Sales Representatives and Marketing Staffs

The Global ARS department conducts seminars for sales representatives and marketing staffs to deepen the knowledge on the industry's voluntary code of conduct and Suntory's own marketing code. The seminar provides them with the necessary viewpoints ranging from product development to sales promotion through case studies.

Activities to Raise Awareness of Responsible Drinking

Internal Initiatives

As a member of a company that manufactures and sells alcoholic beverages, it is important that our employees are aware of responsible drinking at all times. We clearly state in our employment regulation that any employee who drinks and drives during or outside the working hours will be dismissed under instruction.



Moderate Drinking Awareness Program for Group employees in Japan

We conduct an e-learning program to raise awareness on knowledge necessary for employees of a corporate group that manufactures and sells alcoholic beverages, such as the mechanism of intoxication and differences due to genetics and physical constitution.



Alcohol Metabolism Genetic Testing for Group employees in Japan

We offer alcohol metabolism genetic testing to all group employees in Japan for their consideration for others and to deepen understanding of moderate drinking.



Intranet Page on Global ARS

Every employee can access information regarding responsible consumption, as well as our voluntary standards, examples of responsible marketing, and seminar tools.

In addition, we also raise awareness of moderate drinking through seminars for executives and sales representatives, and "Drink in Moderation Campaign" posters.

External Initiatives

We are committed to providing customers and consumers with information about alcohol so that they can make informed choices about alcohol and consume in moderation.

We provide the alcohol content information (in grams) of our major brands sold in Japan on our website. In addition, we have started labeling the amount of pure alcohol in grams per containers from February 2022 (canned beer, RTD (ready to drink) and wine that are manufactured in Japan)

ザ・プレミアム・モルツ



深れだす華やかな香りと深いコクが特長のプレミアムビールです。日々醸造を重ねる中で条件を細かく絞り込み、製法を追求することで、心地よい味わいに磨きをかけ、さらには質的な余韻を感じていただけるように仕上げました。

ブランドサイト

容量 350ml JANコード 4901777302204
賞味期間 9ヶ月
※2005年1月より瓶底から抽換の表示は行っていません。

容器・サイズ 500ml缶 250ml缶 500ml瓶 334ml瓶

原材料	量目 (9%酒類又は10%酒類)、ホップ	成分・特性	エネルギー (100mlあたり)	4kcal
アルコール度数	5.5%	たんぱく質 (100mlあたり)	0.4~0.6g	
純アルコール量 (350mlあたり)	14.0g	脂質 (100mlあたり)	0g	
		炭水化物 (100mlあたり)	3.7g	
		-糖質 (100mlあたり)	3.6g	
		-食物繊維 (100mlあたり)	0~0.2g	
		食塩相当量 (100mlあたり)	0~0.02g	
		プリン体 (100mlあたり)	約11.6mg	

純アルコール量は、以下の計算式に基づき記載しています。
純アルコール量(g) = 容量(ml) × アルコール度数(%) / 100 × 0.8

※成分・特性について▼

ビール・発泡酒・新ジャンルの栄養成分一覧

こだわり酒場のレモンサワー
(追い足しレモン)

栄養成分表示(100mlあたり)	
エネルギー	32kcal
たんぱく質	0g
脂質	0g
炭水化物	0.5~1.0g
糖類	0g
食塩相当量	0.14~0.24g
プリン体	0mg**

*g/100ml(食品表示基準による)
**100mlあたりプリン体0.5mg未満
純アルコール量:14.0g(350mlあたり)

Suntory receives multiple awards for its activities to raise awareness of responsible drinking

Our programs to promote responsible consumption have been recognized by key industry groups including the Award for Excellence in Independent Advertising for our moderation advertising campaign. In 2018, we received the Company BtoC Website Award for Excellence at the 6th Web Grand Prix sponsored by the Web Advertising Bureau of the Japan Advertisers Association for our DRINK SMART advertising on our website. In addition, we received the Newspaper Advertisement Award at the 38th Newspaper Advertising Prize event for our poster with ways to decline invitations to drink, and days to go without alcohol using soccer vocabulary and humorous illustrations.

Responsible Consumption Campaigns by Suntory

●Responsible Drinking



We have been advertising "Drink in Moderation" in national newspapers since 1986, to communicate responsible consumption through humor.

▶ Drink in Moderation



On Suntory's website, we feature DRINK SMART to promote moderate consumption for the healthier and well balanced lifestyle by understanding the facts about alcohol and enjoying it responsibly.

▶ DRINK SMART



We conduct "Drink Smart Seminars" to provide the facts about alcohol and individual differences, such as how gender, height, weight and ethnicity can affect of alcohol metabolism. We also released "DRINK SMART MOVIE" for responsible drinking.

▶ DRINK SMART MOVIE

▶ 動画で知りたいお酒のこと



Drink Smart Ambassadors

We encourage our employees to be a "Drink Smart Ambassador" who conducts Drink Smart Seminars for our customers and third parties.

●Recommend Drinking in Moderation



Raising awareness about drinking in moderation with humorous illustrations and witty approach to decline invitations to drink on non-drinking days advertisement.

[▶ non-drinking days advertisement](#)

●Prevent the Abuse of Alcohol



Educational movie to prevent under 20 drinking

[▶ Educational movie](#)



In response to young people's interests, we produced and distributed a comic book for young people who are at least 20 years old to learn how to drink responsibly. We also conduct seminars at universities.

[▶ comic book for young people](#)



No Binge Drinking! Campaign, collaborated with NGOs - Council for the Prevention of Binge Drinking.

Responsible Drinking Initiatives by the Beverage Alcohol Producers Associations in Japan

We engage in the STOP! under 20 Drinking Campaign twice a year primarily on public transportation advertisements.



Railway station posters to alert platform accidents by intoxicated passengers - collaboration with JR West



We are providing information to prevent at-risk women from using alcohol irresponsibly.

We also have been putting health warning messages on our products, advertisement, and POP materials to prevent consumption of alcohol when pregnant.

Global Initiatives to Reduce Alcohol Issues

The World Health Organization (WHO) adopted the Global Strategy to Reduce Harmful Use of Alcohol in 2010. Reduction of harmful effects of alcohol is one of the goals of the action plan for NCD (non-communicable diseases/lifestyle-related diseases) prevention established in 2013 as well as one of the UN SDGs (Sustainable Development Goals) in the health field established in 2015, and it is positioned as one of the global problems that must be addressed through cooperation with national governments, specialists from public health organizations, and other related parties. The manufactures of alcohol beverages are regarded as important stakeholders in these efforts.

The Suntory Group is participating in the IARD organization (<http://www.iard.org/>) that makes efforts to promote responsible drinking internationally to respond to these alcohol-related issues. Since 2013, we have been working to promote the Industry Commitment for Reducing Harmful Use of Alcohol which involves major alcohol beverage manufacturers from around the world.

The progress of the Industry Commitment is published as a Progress Report after annual audits by an auditor.

The Suntory Group has established a company section dedicated to reducing harmful use of alcohol, regularly holds Global ARS Committee meetings, and consolidates global marketing regulations under the mid-to-long-term vision in order to realize responsible marketing activities on a global level and raise awareness of responsible drinking.

The Suntory Group Drink Smart® global program is expanding priorities such as preventing underage drinking and drunk driving, as well as raising awareness of drinking in moderation and consideration for people that choose not to drink, and promotes responsible decision making through its proprietary platform.

> [IARD](#)

About the IARD

The IARD (International Alliance for Responsible Drinking) is a non-profit organization headquartered in Washington D.C. in which 13 of the major alcoholic beverage manufacturers from around the world participate.

The Suntory Group has participated in the IARD since its establishment as Suntory Global Spirits and has also been deeply involved in the formulation of the Industry Commitment for Reducing Harmful Use of Alcohol, an effort by the alcoholic beverage industry in response to the World Health Organization's Global Strategy to Reduce Harmful Use of Alcohol (adopted in 2010).

The Industry Commitment for Reducing Harmful Use of Alcohol promoted five initiatives over a five-year period starting in 2013.

- (1) Reduction of alcohol consumption by minors
- (2) Development and strengthening of industry voluntary standards on expression of drinking
- (3) Responsible product development and disclosure of information to consumers
- (4) Drunk driving reduction
- (5) Strengthening of collaboration with the retail field

Commitment related progress reports and evaluations are conducted by third parties and reported annually in the form of a progress report.

The Suntory Group's efforts in major markets including Japan and the United States have been reported and evaluated, including the distribution of educational materials for parents and children to prevent under 20 drinking in Japan and education programs for drunk driving offenders in conjunction with traffic courts in the United States. These efforts unique to Suntory as well as collaborative efforts with liquor associations in various countries have been highly praised.

In addition, an IARD CEO meeting is held annually during which serious discussions take place on matters that the liquor industry should tackle over the medium-to-long term and on a global level.



IARD-CEO meeting (2019)



Progress Report



Joint Declaration of digital media (2018),
Trend report of underage drinking (2019)

Overseas Activities to Raise Awareness of Responsible Drinking

1) Reducing Drunk Driving

DWI Courts

Suntory Global Spirits is a lead supporter of America's National Center for DWI Courts, designed to get hardcore offenders who are most likely to repeat the treatment they need in an evidence-based program.

2) Reducing High-risk Drinking in University

Building Resilience in Campus Communities (BRICC) Coalition

BRICC works to reduce high-risk drinking at individual, group, organization and community levels at the University of Louisville and University of Kentucky.

[▶ Link to Suntory Global Spirits Drink Smart Website](#) 

Quality Management

- ▾ Policies and Our Approach
- ▾ Promoting Structure
- ▾ Our Initiatives

Policies and Our Approach

The Suntory Group has always striven to better the quality of its products and services with a customer first approach since its founding. Every employee always endeavors to sustain and improve quality according to the Suntory Quality Policy of "All for the Quality," which clarifies our approach to quality, to earn even greater trust from customers.

Suntory Quality Policy

All for the Quality*

We offer products and services that meet or exceed relevant safety standards and will continue to respond to the desires of our consumers and customers and earn their trust.

1. Each and every member of the Suntory Group wholeheartedly strives to offer products and services from the consumer's and customer's perspectives.
2. We strive to provide our consumers and customers with accurate information that is easy to understand. We earnestly listen to consumer and customer opinions and endeavor to reflect them in our products and services.
3. We abide by laws and regulations.
4. We place a very high priority on the safety of our products and services.
5. We continue to quest for even greater product quality by reference to recognized international quality standards.

* "All for the Quality" is a slogan showing our basic philosophy to pursue product quality and safety. It should not be construed as our legal obligations or commitments.

SUNTORY

Promoting Structure

Following the acceleration of its own global development and expansion into new fields of business, the Suntory Group has been enhancing its Quality Management Systems as part of its Group Governance.

We installed the Quality Assurance Committee at Suntory Holdings Ltd. to promote quality management throughout the entire Group. This committee identifies quality risks and prevents trouble before it occurs in priority issues across the organization based on the Group quality strategy.

The Chief Quality Officer (CQO) of Suntory Holdings Ltd. plays a vital role in this process by strengthening the quality management capacities through holding meetings on product quality with each Group company.

The Suntory Group believe that it is our duty to continually deliver high quality products with new value, safety and reliability, able to bring joy to consumers worldwide. Thus, we are committed to producing high-quality, safe and reliable products that delight consumers across the globe. This promise is shared within the group through the Suntory's MONOZUKURI Manufacturing Values and Code of Conduct, which we have held dear and consistently delivered on since our founding.

Our Initiatives

Assuring Quality in All Processes

Grounded in the Suntory Group Quality Policy, our employees are continually working to maintain and improve quality in all of our processes, from product planning and development to material procurement, manufacturing, distribution, sales, and services.

Water, Agricultural crops, and Natural resources

Water



- Regular analysis and inspection
- Development of new water resources
- Research into water quality in Japan and overseas



Regular inspection of water at the Safety Science Institute

Raw material



- Evaluation and selection of suppliers
- Quality auditing of suppliers
- Developing new ingredients and sustainable procurement



Production site visits (Florida, U.S.A.)

Research and technology development, Product planning and design

Product design Scientific evaluation



- Designs that pursue good taste and functionality
- Risk assessment, from an analytical chemistry perspective, microbiological perspective, and biological perspective, of the products to be manufactured and sold, and safety analysis and inspections



Research and development

Containers and packaging



- Evaluation of regulatory conformity for constituent materials
- Developing new containers and sustainable procurement
- Performance and safety evaluation

Product labeling



- **Accurate labeling using easy-to-understand language**
- Compliance of food labeling regulations and standards for all products

Manufacturing

Manufacturing



- Acquisition of ISO9001 certification, HACCP (Hazard Analysis Critical Control Point) recognition, and FSSC22000 recognition
- Adoption of TPM (Total Production by foreign objects)
- Preventing and checking damage to containers, spillage of contents, and contamination of contents by foreign objects
- Strengthening of food defense, including room exit/entrance management and installation of cameras



Exterior check of products

Premium gifts



- Safety, function, and other inspections by expert teams of premium gifts



Example of premium gifts attached to products

Delivering

Transport



- Sharing quality assurance knowledge with logistics companies
- Checking facilities, temperature, safety and hygiene in warehouses for product storage



Draft beer consumption quality improvement seminar

Sales



- Support for sanitation management and quality control at restaurants
- Seminars on improving quality at the point of consumption aimed at business serving keg draft beer

Customers

Dissemination of information



- Easy-to-understand introduction of safety and security initiatives



Suntory Group's Quality Initiatives Website

*Traceability

Ingredient traceability system such as using two-dimensional codes and social quality assurance activities related to sustainable procurement to realize a sustainable society

Accurate and Easy to Understand Labeling

In terms of product labeling, the Group Quality Division has established a system to check for legal compliance and appropriateness, and promotes accurate labeling and easy-to-understand expressions in collaboration with the relevant teams including development and production of each Group company.

Examples of Labeling on Products

Labeling example to prevent drinking alcohol by mistake

A mark that shows that this is an alcoholic beverage is put on products to prevent people from mistaking low-alcoholic beverages such as Chu-Hi for soft drinks. We also put a mark telling that "this is an alcoholic beverage" on the lid of the can and in Braille on our major products. In addition we also display "Drinking while pregnant or breastfeeding may be harmful to the development of unborn babies or infants" on products in order to evoke caution about alcohol in pregnant and nursing mothers.



Allergen Labeling

Suntory has investigated raw materials and has confirmed whether or not they need to be indicated on products as allergenic. For our soft drinks, we not only comply 8 mandatory items required to put on the label by the Food Labeling Standards set by the Consumer Affairs Agency, but also include 20 recommended items. Although alcoholic beverages are exempted from allergen labeling requirement, we voluntarily put allergen information on our low-alcoholic beverages such as beer and Chu-Hi.

[▶ Product information \(ingredients, nutritional information, etc. can be checked\) \(in Japanese\)](#)

"Month/year" labeling for "Best-by" dates

The best-by dates of soft drinks are generally indicated by a "date/month/year." In order to reduce the environmental impact of inventory management along with ease of understanding for customers, the Suntory Group is working to label products with the best-by date of one year or more as "month/year."

Voluntary Recalls

While we do our best to assure quality, we also disclose information appropriately and promptly when problems do arise.

During the period from January 2023 until December 2023, there was one cases of recalls announced in newspapers or on the company's website due to violations of related regulations and our internal standards*.

* The following Suntory Group companies in Japan are eligible

Suntory Holdings Ltd., Suntory Beverage & Food Ltd., Suntory Foods Ltd., Suntory Spirits Ltd., Suntory Wellness Ltd., Suntory Flowers Ltd., Izutsu Maisen Co., Ltd., Pronto Corporation, DYNAC HOLDINGS CORPORATION, Häagen-Dazs Japan, Inc. and Monte Bussan K.K.

Consumer-Oriented Management

▼ Policies and Our Approach | ▼ Promoting Structure | ▼ Our Initiatives

Policies and Our Approach

Voluntary Declaration toward Consumer Orientation

The policy of Consumer Orientation, which has been handed down from generation to generation since the company's foundation, is clearly stated in the Voluntary Declaration of Consumer Orientation.

Voluntary Declaration toward Consumer Orientation

April 2017

Takeshi Niinami

President, and Chief Executive Officer, Member of the Board,
Representative Director,
Suntory Holdings Ltd.



In line with Suntory Group's Corporate Philosophy, we offer products and services of the highest quality that enrich the lives of people around the world and contribute to a sustainable natural environment.

We aim to be a "Growing for Good" company that is a good corporate citizen trusted by consumers.

Initiative Policies

(1) We will offer products and services that create harmony with customers

We value close communication with customers, placing top priority on the customer. We will respond sincerely to opinions and requests received from customers. We will strengthen initiatives that help to develop and improve our products and services.

(2) We will pursue safety and reliability for customers

Grounded in the Suntory Group All for the Quality Policy, we will continually work to maintain and improve quality in all of our processes, from planning and development of products and services, to procurement of materials such as water, agricultural products and packaging, to manufacturing, distribution, sales, and services. We will strive to improve the quality of our products and services while preventing quality risks through the Quality Assurance Committee which promotes quality management throughout the Group.

(3) We will utilize customer feedback in our business activities

We will share the valuable information and opinions received from customers quickly throughout the Group and reflect that feedback in our corporate activities and the actions of our employees, ranging from improving products and services to strengthening risk management.

(4) We will strive to provide information to customers

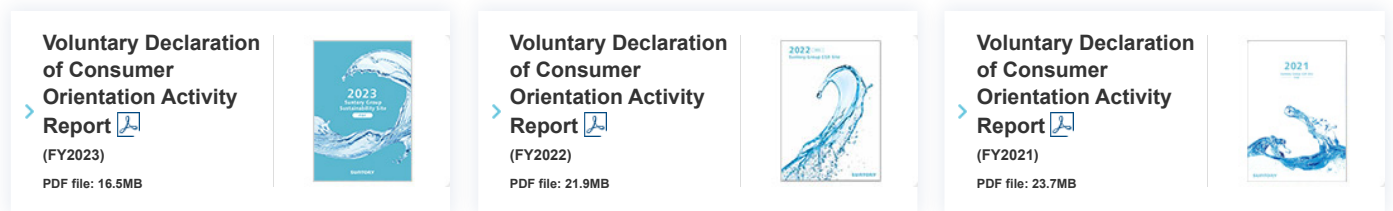
We will strive to use accurate indicators and easy-to-understand expressions for the labeling of our products, promotional materials and advertisements. We will also work to enhance information on our websites to enable customers to search for themselves online, in addition to using the communications received through the Customer Center such as telephone calls, letters, and emails. We will offer quality-related information in an easy-to-understand manner for customers.

(5) We will foster a culture and awareness among employees to take action from the viewpoint of customers

We will continue the Customer Satisfaction Cultivation Activities to foster a corporate culture in which all of our employees consider the viewpoint of customers in their work. We will hold training programs for all employees, including those in divisions that have few opportunities to hear the views expressed directly by our customers.

Voluntary Declaration toward Consumer Orientation Activity Report

The results of initiatives and improvements made to activities based on the above-mentioned Voluntary Declaration of Consumer Orientation are published on an annual basis.



Basic Policy on Customer Satisfaction and Course of Action

We stipulated the Basic Policy on Customer Satisfaction in 1999 in order for each and every one of our employees to take action while always recognizing the goal of providing customer satisfaction. We formulated the Course of Action for our Customer Center in 2002 to be put into comprehensive practice by all of the Customer Center staff.



Customer Center

Basic Policy on Customer Satisfaction

We strive to realize, maintain and improve customer satisfaction in every way through various activities to fulfill the responsibility as a member of the society. We value communication with the customers and provide safe and reliable products and services that bring joy to the customer and gain their trust, while providing information and implementing customer feedback to our business activities.

Course of Action for Customer Center

1. We will respond to customer inquiries and complaints in a timely, accurate and sincere manner while being fair and just.
2. We will proactively provide reliable information that brings satisfaction to the customer.
3. We will incorporate feedback and requests of the society in the company.
4. We will comply with laws and our own standards to protect the rights of the customer.

Customer Response Standard

Suntory Holdings Ltd. and 12 Group companies¹ have formulated a Course of Action that follow ISO10002 (JIS Q 10002) as a working mindset for acting according to the basic policy and course of action. We recognize the right of customers to make inquiries and complaints in these regulations, which are clarifying the active

efforts and responsibility to respond to customers with the objective of maintaining and improving customer satisfaction through our corporate activities. In addition, we will formulate and thoroughly familiarize employees with standards and procedures based on this course of action.

*Suntory Beverage & Food Ltd., Suntory Foods Ltd., Suntory Beverage Solution Ltd., Suntory Foods Okinawa Ltd., Suntory Products Ltd., Suntory Spirits Ltd., Okinawa Suntory Ltd., Suntory Business System Limited, Suntory System Technology Ltd. Suntory Global Innovation Center Ltd., Suntory Corporate Business Ltd. and Suntory Field Expert Ltd.,(as of July 2024)

CREDO (SUNTORY MIND for Customer Service)

The CREDO (SUNTORY MIND for Customer Service) was formulated as a doctrine for customer service in 2013 to embed the basic policies and course for action in the hearts of each and every employee in their daily tasks. We created this CREDO with all the staff at the Customer Relations Division in an effort to cultivate a climate that nurtures activities able to satisfy the customer.

CREDO
SUNTORY MIND
for Customer Service

私たちは、お客様に、一緒に働く仲間たちに、そして自分自身に約束したいことがあります。

その約束が「クレド」です。

そしてこれは、サントリーのお客様対応を担う者として、いかに行動すべきかという指針です。

私たち一人ひとりが自分の行動を見つめ、さらに一歩前に進みたいときに、この「クレド」を読み返します。

～ GRAND CREDO ～

No.1 私たちは、お客様の「安心」を育むものは「信頼」であり、お客様とサントリーの「信頼を築く」のは自分たちであることを忘れません。

No.2 お客様のお役に立ちたいという心を常にもちながら誠心誠意、お応えします。

No.3 そして、「サントリーファンづくりの最前線」に立っていることを胸に刻み、お問い合わせいただいた方に、いままで以上にサントリーを好きになってもらえるように心がけます。

お客様への約束

No.4 私たちは、ひとつひとつのお問い合わせがお客様にとっては「初めて」であり、「かかっている間に悩ましい」と受け取り、丁寧に解決にお応えします。

No.5 私たちは、お問い合わせしてきたことに感謝し、ご質問をいただいた時でも、感謝の心を忘れません。

No.6 私たちは、一人一人のお客様の声に、真摯に真摯に耳を傾け、対応いたします。そして、お客様の心を大切に、お客様が喜ばれていくことに応えます。

No.7 私たちは、お客様がお問い合わせいただいた商品や状況を熟知し、常にお客様の立場に立って、お応えします。

No.8 私たちは、お客様の心を動かすには、誠意あるおもてなしの心であることを忘れません。

No.9 私たちは、明るく温かい心を忘れずに、声に笑顔をのせてお客様に対応します。

一緒に働く仲間への約束

No.10 私たちは、一緒に働く仲間を信頼し、互いに尊重しあい、そしてチームでの対応が必要な際には、みんなで挑戦しながら心から「頑張ろう」という気持ちで頑張っています。

No.11 私たちは、仲間がいつでもベストな状態で、最上のお客様対応の出来るようにサポートします。

No.12 私たちは、一緒に働く仲間との「アイコンタクト (eye to eye)」コミュニケーションを大切にします。

No.13 私たちは、一緒に働く仲間と「お互いを尊重しあう」ことを忘れず、共に向上していきます。

自分への約束

No.14 私たちは、「サントリーグループ」の代表として、プロとしての誇りをもち、自ら考え、お客様にとってベストな対応を致します。

No.15 私たちは、お客様から学び、成長し続けます。そのため、自分の変化にあわせて、柔軟に変わらざるを得ないことを覚悟します。

No.16 私たちは、お客様からいただいたひとつひとつの声を大切に聞き、真意を察知して、社内へ積極的に伝えます。

No.17 私たちは、お客様に喜んでもらえるように、美味しい接客や接客の質を高め、美しい笑顔のある接客を心がけ、自分自身の心身の健康も大切にします。

私たちのクレド
これはお客様、仲間、そして自分への約束です

Promoting Structure

The Suntory Group values two-way communication with the customers in the belief it has held since its founding that customer satisfaction should be given top priority. In 1976, we opened the Consumer Department to handle inquiries from customer. The office now operates as the Consumer-Oriented Management Department of Suntory Holdings Ltd.. We respond sincerely to the opinions and requests that we receive from the customers based on the Voluntary Declaration of Consumer Orientation. We are strengthening initiatives to more widely reflect this feedback in our corporate activities, including improvement and development of better products and services.

Our Initiatives

Communicating with Customers

Since our founding, we have been prioritizing customer satisfaction. We value regular communication with the customers and reflect their feedback in our corporate activities.

Responding, Sharing and Utilizing Customer Feedback

Our Customer Center uses a proprietary information search system to respond quickly and accurately to customers so that those who make inquiries are not left waiting.

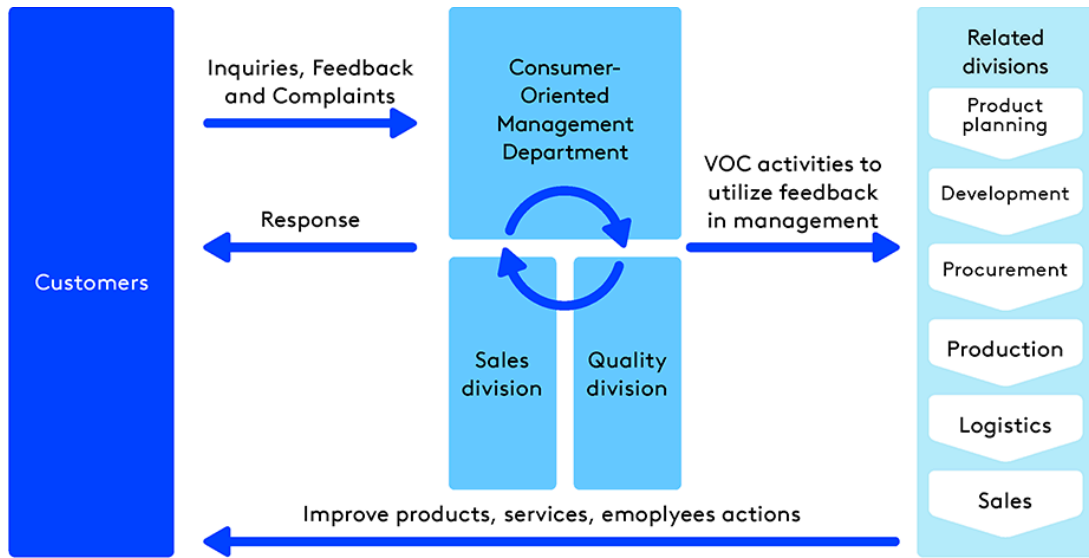
By recording the inquiry and our response in our core information management system upon receiving the inquiry, valuable information from the customers is shared

immediately with relevant departments to enhance quality and improve risk management.

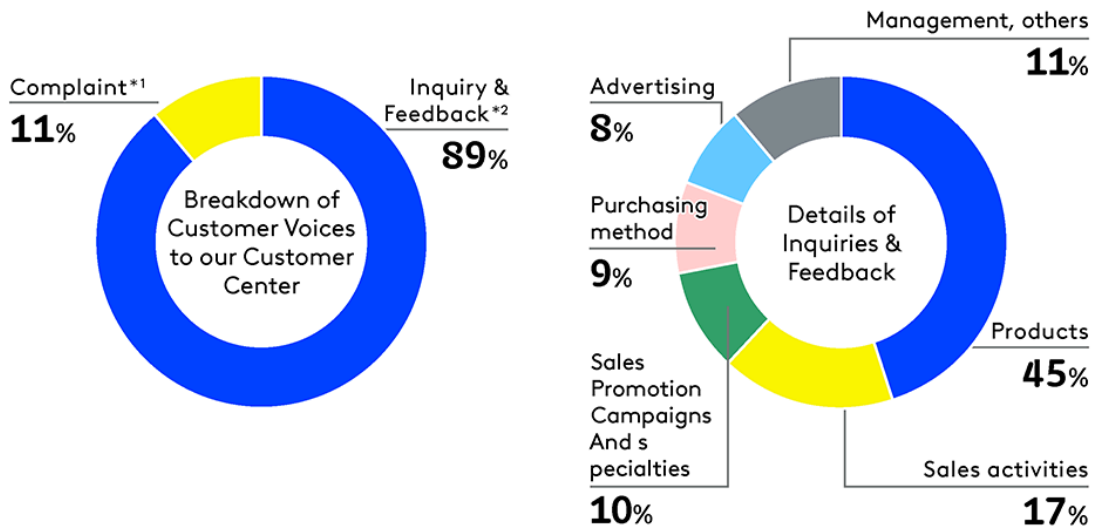
We periodically share the feedback we receive from the customers with relevant departments to strengthen our VOC activities* that reflect this feedback in our corporate activities and employees course for action, which includes improving our products and services and enhancing our provision of information.

* VOC (Voice of Customer) activities: Activity to reflect customer feedback in management policy.

Flow of Customer information



Customer voices to our Customer Center (Results of 2023: Approx. 76,000)



*1 Complaints: Includes expressions of dissatisfaction by customers about products or corporate activities

*2 Inquiries and feedback: Includes a wide range of questions and opinions expressed by customers other than complaints

Valuing Customer Feedback for Product Development

We are aiming to improve quality, product development and the provision of information through incorporating opinions and requests from the customers. Having a point of view of the customers is crucial in developing products that are safe and easy to use. We carefully listen to the feedback of the customers, and aim to provide kinder, gentler products to all people. We listen to customer feedback carefully and use it to continuously improve our products and services. Customer feedback regarding products of other companies and products in other categories are shared with the development division to stimulate new findings from a wider perspective and make prior checks from the customer's point of view.

We will introduce examples of how we have utilized actual customer feedback in our products and services, using a variety of situations as a starting point.

* Products that are no longer sold are also shown.

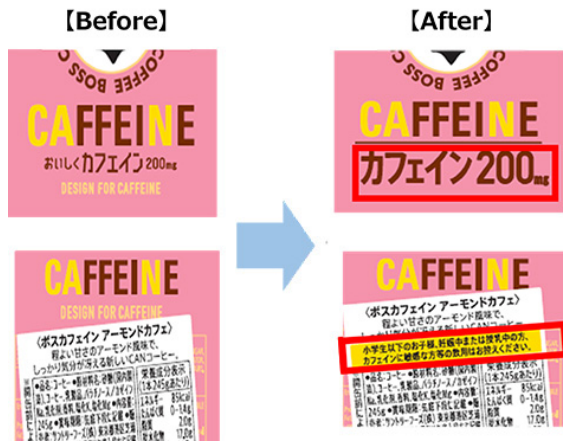


Customer feedback

I would like the description of caffeine in “BOSS Caffeine” to be easier to see.

Making the most of customer feedback

The caffeine label is placed prominently on the front of the product to make it easy to understand, and the warning for children and lactating mothers is also included in a color scheme that is easy to see.



* This product is no longer available



Customer feedback

The designs of “Horoyoi” <Iced Tea Sour> and <Cassis and Orange> are similar, can you make them easier to distinguish?

Making the most of customer feedback

The designs have been changed so that customers can easily distinguish them at a glance.



* The designs have since been further revised



Customer feedback

Are there any beverages to prevent heat stroke?

Making the most of customer feedback

Suntory offers a wide product lineup of beverages containing moderate amounts of salt, which are effective in combating heat stroke.



Customer feedback

Can "lyemon green tea 'Ocha Dozo'" be heated in an incubator?

Making the most of customer feedback

The bottle was not originally designed to be heated, but now it can be used both cold and hot, and can also be heated in an incubator or other device. To make it easier to understand that the bottle can be used both cold and hot, the phrase "Delicious both cold and hot" has been added to the product itself.

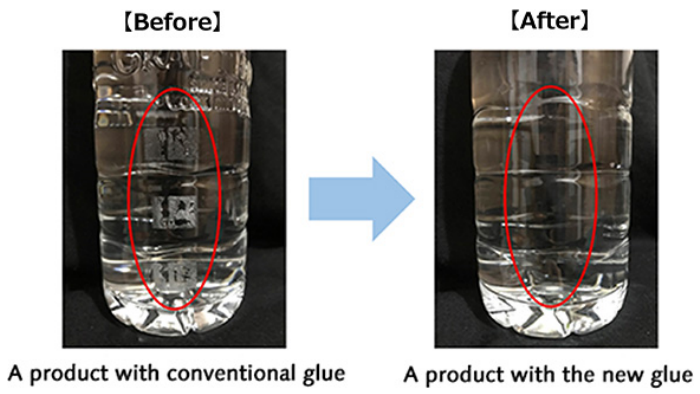


Customer feedback

The labels on plastic bottles are difficult to remove. Sometimes glue is left behind.

Making the most of customer feedback

We have developed a glue that is easier to peel off than conventional glues while maintaining the same adhesive strength. The new glue will be applied progressively to a wide range of products in the future.

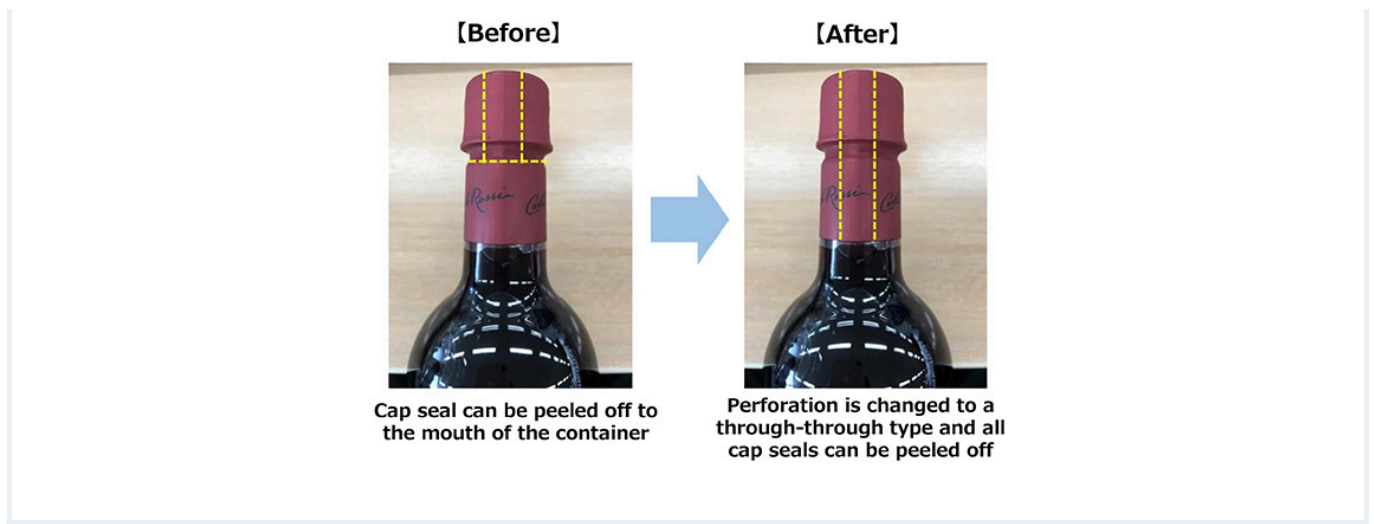


Customer feedback

There is no cut line at the bottom of the wine cap seal, making it difficult to remove from the container when sorting.

Making the most of customer feedback

To make it easier for customers to remove, we have added the cut line to the cap sticker of all PET bottled wines.



Expanding communication outlets: Use of Digital and Social Media tools

In addition to communication by telephone, letter, and email through the Customer Center, we are working to enhance the information on the Customer Center website by utilizing photos and illustrations for customers who search for information on their own through the website. In addition, we have prepared an inquiry form in English to respond to inquiries from overseas customers. In 2022, we opened a LINE app Customer Service. We are working to create an environment that makes it easier for customers to contact us.



Suntory Customer Center website(PC)



Suntory LINE app Customer Service

[▶ Suntory Customer Center homepage](#)

Communicating Our Consumer-Oriented Initiatives to Society

The Suntory Group actively communicates its Consumer-Oriented management philosophy and initiatives through various media and activities.

Voluntary Declaration of Consumer Orientation and Activity Report

In April 2017, we revised our Consumer-Oriented approach and initiative policies passed down since the founding of Suntory to draw up and release Voluntary Declaration of Consumer Orientation. The specific activities that we have undertaken based on the declaration are reported to society in the Voluntary Declaration of Consumer Orientation Activity Report. We were awarded the Commissioner award in January 2020 for the 2019 Award for good practices of Consumer-Oriented management hosted by the Consumer Affairs Agency.

As a company that discloses its Voluntary Declaration of Consumer Orientation, we have provided the declaration and content of activities on the Customer Affairs Agency website.

Employees with Consumer-Oriented Mindset

In order to promote Consumer-Oriented Management, we conduct enlightenment activities for employees for nurturing Consumer-Oriented mindset.

Continuing to Meet Consumers Expectations

We focus on Consumer-Oriented Enlightenment Activities and culture-building, with the aim that each employee will deepen his or her understanding of changes in customer attitudes and interests, and be capable of delivering products and services that exceed customer expectations.

Overview of Internal Enlightenment Activities

Consumer-Oriented awareness-raising company-wide activities

Initiative	Target	FY2023 results
Top commitment (Homepage/Video)	All employees	Held in May
Consumer-Oriented spirit development seminar	All employees	Held from December to January 2024
Consumer Orientation Month	All employees	Held in May
On-site Customer Relations Promotion Leaders	All sales sites	Held year-round
VOC monitoring by management	Executive	Held in March

Human Resource Development

Initiative(Suntory University)	Target	FY2023 results
New manager training	New managers	Held in February and August
4th year training	4th year employees	Held in October
New employee training	New employees	Held in April

Enhancing VOC* Contact Points

Initiative	Target	FY2023 results
Monthly report	All employees	Once a month
Weekly report	Management Level	Once a week

* VOC : Voice of Customer

Consumer-Oriented Awareness-raising Company-wide Activities

Consumer-Oriented Spirit Developments Seminar

We hold the Consumer-Oriented Brush-up Seminar annually for all employees. Each employee listens to voices including the words of encouragement from customers and is presented with examples of Consumer-Oriented activities being undertaken at each site in the company to deepen a Consumer-Oriented mindset and encourage action. After attending the seminar, each employee declares what he or she can do as an individual "Consumer Orientation Action Declaration". In addition, the seminar is widely distributed to group companies in a form that makes it easier for them to take the seminar, such as by video distribution, and the entire Suntory Group is working to firmly establish Consumer-Oriented behavior.



CEO message



Video Introducing examples of Consumer-Oriented activities

Commitment to Consumer Orientation Month

Every May is designated Consumer Orientation Month, an annual opportunity for all Suntory Group companies in Japan and overseas to reaffirm the significance of Consumer Orientation and the need to think and act accordingly, both on an organizational and individual basis. Each department discusses "who are their customers" and "what they can do with their Consumer-Oriented approach." In addition, The Consumer Orientation Action Declaration issued at the beginning of the year is reflected upon and serves as a catalyst for Consumer-Oriented thinking and action.



Assigning On-site Customer Relations Promotion Leaders

Beginning in 2018, we have assigned "Customer Relations Promotion Leaders" to play a central role in further penetrating and establishing customer orientation, particularly at sales offices that have many direct points of contact with customers.

VOC Monitoring by Management

Suntory provides a program for management to listen to calls from customers received by the Customer Center in real-time. They can hear the questions, concerns and opinions that customers have about Suntory products and services in daily life. This puts in place an opportunity to utilize all of this customer feedback to better address their needs.



President Niinami listening to customer feedback



Vice president Torii listening to customer feedback

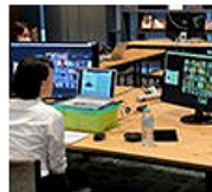
Talent Development at Every Level



New managers

4th year

New employee



Learn about decision making in Consumer-Oriented spirit
Lecture about "What is Consumer-Oriented decision making?"

Improve your ability to assume the customer's point of view
Customer experience program

Learn the basics of Consumer-Oriented spirit
Lecture on basics of Consumer-Oriented spirit

As a part of our Talent development program Suntory University, we carry out training in line with the career path of each employee. At first, during new employee training, participants will learn about the Suntory Group's Consumer-Oriented spirit that has been continuously passed down since its foundation. As four-year employees, by listening to the voices of our customers in groups and discussing their thoughts and expectations, we learn about the importance of Consumer Orientation. Employees who are being promoted to manager are practically taught important Consumer-Oriented decision-making techniques such as through group discussions based on business experiences.

Enhancing Opportunities for Employees to Listen to Customers

We engage in activities to strengthen opportunities to share customer feedback with employees, even those who have less opportunities interacting with customers directly.

Disseminate Customer Feedback through Monthly Reports and Weekly Reports

We share customer opinions and requests widely within the company on a weekly and monthly basis via the intranet and email, with the aim of having all employees respond to customer opinions about our products and corporate activities and link them to their own work and actions.

「ハーモニクスレポート」は、お客様の声を共有し、業務に役立てていただくとともに、一層お客様志向を高めていただくためのレポートです。
(掲載内容は社外開示禁止です。)



お客様の声	全てを閲覧する	『サントリー生ビール』瓶・樽 業務店 反響 「サントリー生ビール好きなのでお店の樽生で飲んでみたい」
サントリアンの声	▼	『-196』ビッグバン活動 反響 「-196の無糖4%オレンジ&レモン、「酒を飲みたい時」というより「食事酒」に向いてる」
		『茉莉花<ジャスミン茶割・JJ>』CVS先行新発売 反響 「JJ缶炭酸ないのでお腹に溜まらないので、すごい沢山飲めちゃう」
		サントリアンの反響 皆様がハーモニクスレポートに感じられた価値や活用事例をお伝えします。

Harmonics Report provided to employees via our intranet

Communities

▼ Policies and Our Approach | ▼ Our Initiatives

Policies and Our Approach

Basic Policy on Social Activities

Since first opening its doors, the Suntory Group has been involved in community contribution, arts, culture, sports and environmental activities based on the spirit of Giving back to Society. The social activities of the Suntory Group contribute to sustainable growth of its businesses while solving issues in local communities.

Suntory Group Basic Policy on Social Activities

The Suntory Group follows the principle of “Giving Back to Society” established by our founder. We actively engage in undertakings for the public benefit to create a world in which people can lead meaningful lives.

“To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature,” which is our corporate philosophy, we strive to deliver the highest quality products and services to customers while taking responsibility for contributing to enriching society and sustainable planet.

1. Promote activities based on the standpoint of the next generation and actual situation worldwide together with our employees around the fields of arts and culture, sports, social welfare, and the natural environment.
2. Focus on a dialog with stakeholders and work to generate links and cooperation.
3. Support the wide-range of volunteer activities of employees.

Our Initiatives

Social Contribution and Welfare

Support through the Social Welfare Organization

Social Welfare Organization Hojukai

Suntory founder Shinjiro Torii began the Hojukai in 1921 with the establishment of the “Imamiya Dispensary” free clinic in the Airin district of Osaka City to assist people living in financial hardship based on his strong belief in social contribution. The Hojukai was named by combining one Japanese kanji character of Shinjiro Torii's wife's name and one Japanese kanji character from our Kotobukiya company name from that time. During the turmoil after the Second World War, accommodation facility was provided for victims of war, people that returned from overseas and people that did not have a place to go, which are currently used as special elderly nursing home and nursery schools. Hojukai continued activities as a social welfare organization and it operates Takadonoen (special care facility for seniors established in 1974), Domyoji Takadonoen (a general-purpose welfare facility established in 2008), the Tsubomi Nursery School (1975), and the West Asahi-ku Community General Support Center (commissioned by Osaka City in April 2011).

To respond to the current needs, The Hojukai has been putting efforts in at-home nursing care services such as home-visit nursing care, outpatient nursing care, and in-home long-term nursing care services. In the spring of 2017, Tsubomi Nursery School moved to a new premise with the aim of an even more unique and

comfortable facility as well as a nursery school that nurtures a wealth of sensibility.

"Hojukai," the first corporation to conduct social welfare activities in Osaka, celebrates its 100th anniversary in 2021.



Takadonoen, special care facility for seniors and Tsubomi Nursery School



Domyoji-Takadonoen, a general-purpose welfare facility



West Asahi-ku Community General Support Center

➤ For more information, see [Social Welfare Organization Hojukai \(in Japanese\)](#) [↗](#)

Donating Suntory Products to Children Homes with the Cooperation of Food Bank Activities

The Suntory Group has donated approximately 94,000 cases of food and drinks to entities such as orphanages, welfare institutes, community centers, and disaster affected areas since 2010 through the Second Harvest non-profit organization that engages in Food Bank activities. The products that are donated are given under the condition that they have the same quality as the products sold commercially. We also conduct the same level or quality assurance, customer service, and all other operations for those products as the products sold commercially. This program started in Tokyo Metropolitan area in 2010 and was later expanded to include Okinawa in 2013. In the future, we will continue this food bank activity to deliver the appropriate amount of food as necessary.



Endowments to inner-city children homes

Engaging in Charitable and Voluntary Activities

The Suntory Group will continue to conduct community contribution activities through charities.

Employee Volunteer Activities

The Suntory Group conducts a wide range of social contribution activities based on its spirit of Giving back to Society, but a relationship between society and every Group employee is also important.

We actively suggest that employees use time created through work style reform promoted throughout the entire Group to participate in employee volunteer activities to discover new value and serve as opportunities for individual growth.

➤ For more information on the [Employee Volunteer Activities](#), see [Employee Volunteer](#).

Suntory Ladies Open Golf Tournament

Entry fees to the amateur-professional charity tournament, money from charity corner sales, etc. from the Suntory Ladies Open Golf Tournament (started in 1990) have been used to support Kobe City's disaster recovery efforts from the Great Hanshin-Awaji Earthquake. The support continued from 1995 to 2010. Since 2011, we have donated fire trucks and other equipment to Natori City and Sendai City in Miyagi Prefecture as support for disaster-affected areas that were severely damaged by the Great East Japan Earthquake. Since 2016, we have been providing recovery support to areas affected by the Kumamoto Earthquake and the Great East Japan Earthquake.

Although the 2020 event has been cancelled, we have made a donation to Hyogo Prefecture to support medical professionals.

Currently, our activities include support for junior golfers and the development of the golf industry, and we will continue to engage in charitable activities that meet the challenges of the times.



A Fire truck donated to Natori City, Miyagi Prefecture

Suntory Dream Match

We use a portion of the proceeds from "Suntory Dream Match," an event held since 1995, to conduct charity activities centered on baseball and catch-ball classes for children, taught by former professional baseball players.



A baseball workshop held in Kumamoto Prefecture in November 2020



Catch ball class in disaster affected areas using charity

Disaster Recovery Support

The Suntory Group launched programs to support programs that aim to build the future of Tohoku and Kumamoto as part of the initiatives to continue supporting the recovery activities in the regions after the Great East Japan Earthquake and Kumamoto Earthquake.



- [The Suntory Tohoku Sun-Sun Project](#)
- [Suntory "Land of Water" Kumamoto Support Project](#)

Support for Disaster Areas

The Suntory Group provides help to the people and places afflicted by disasters by providing relief contributions and drinking water when large disasters strike Japan or other countries.

Open 2010 to 2018 +

Year	Incident	Amount Donated	Beneficiary	News release
2019	Typhoon No.15	50 million yen	Chiba Prefecture	➤ Suntory Pledges ¥50 million to support Typhoon No. 15 Relief and Recovery
2019	Typhoon No.19	550 million yen	Iwate Prefecture, Miyagi Prefecture, Fukushima Prefecture, Ibaraki Prefecture, Tochigi Prefecture, Gunma Prefecture, Saitama Prefecture, Kanagawa Prefecture, Niigata Prefecture, Nagano Prefecture and Shizuoka Prefecture	➤ Suntory Pledges ¥550 million to support Typhoon No. 19 Relief and Recovery

2020	Bushfire Relife and recovery in Australia	\$500,000 AUD	Australian Red Cross, the New South Wales Rural Fire Service and the New South Wales Wildlife Information Rescue and Education Service (WIRES)	➤ SUNTORY GROUP PLEDGES \$500,000 TO SUPPORT BUSHFIRE RELIEF AND RECOVERY IN AUSTRALIA
2020	Australian Bushfires	50 million yen	Kumamoto Prefecture	➤ Suntory Pledges ¥50 million to support the Relief and Recovery of the Kumamoto area affected by the heavy rain
2021	COVID-19 Relief in India	\$600,000 (approx. INR 44,184,000)	British Asian Trust Confederation of Indian Industry National Restaurant Association of India Government-led relief efforts	➤ Suntory Holdings and Beam Suntory Donate \$600,000 to Organizations Supporting COVID-19 Relief in India
2021	Tornados in Kentucky	\$1 million	Team Western Kentucky Tornado Relief Fund American Red Cross's Disaster Relief Fund	➤ SUNTORY HOLDINGS AND BEAM SUNTORY CONTRIBUTE \$1 MILLION TO SUPPORT RECOVERY FROM DEVASTATING TORNADOS IN KENTUCKY
2022	Tonga's Volcanic Eruption and Tsunami	US \$87,700 (10 million Japanese yen)	Kingdom of Tonga	➤ Suntory Group to Donate Over US \$100,000 to Support Tonga's Volcanic Eruption and Tsunami Response
2022	Humanitarian Assistance in Ukraine	\$600,000	Humanitarian organizations such as the United Nations World Food Programme (WFP)	➤ Suntory Group to Support Humanitarian Relief Efforts in Ukraine
2023	Maui Fire and Disaster Relief	US \$70,000	Maui Strong Fund, Hawai'i Community Foundation	➤ Suntory Holdings to Donate US \$70,000 To Support the Maui Fire and Disaster Relief

Providing Free Beverages When Disasters Strike

Suntory Foods Ltd. has developed and is furthering the installation of emergency beverage vending machines. This system normally sells beverages from vending machines in peace times but will provide them for free during emergencies such as when disasters strike. Beverages can be easily accessed even if the power goes out. Many people used this system after the Great East Japan Earthquake that struck in March of 2011. We are furthering the installation on premises with focus on public facilities and hospitals.



Emergency beverage vending machine

Coexisting with Communities around Our Plants

The Suntory Group's major plants are making efforts to engage in dialogue with local residents. We also work to provide venues for interacting with the local community through measures such as opening parks and trails created at our plants. We have third parties conduct environmental impact assessments when we construct new plants and work to get the understanding of the people who neighbor the site. We also make efforts to harmonize the plants with nature by preserving the sites' biodiversity and pursuing greening initiatives on their grounds.

Promoting Greening of Plants

The Suntory Group's plants consider biodiversity and promote greening that is in harmony with local environment, receiving awards in various locations as model green plants.

Model greening plant commendation (hosted by Japan Greenery Research and Development Center)

Year of commendation	Plant of commendation	Name of commendation
1987	Suntory Tonegawa Brewery	Tokyo Commerce and Industry Bureau Director's Award
1989	Hakushu Distillery	Prime Minister's Award
1993	Azusa-No-Mori Plant	Minister's Commerce and Industry Prize
2002	Yamazaki Distillery	Minister Prize of Economic, Trade and Industry
2006	Kyushu Kumamoto Plant	Japan Greenery Research and Development Center Award
2008	Takasago Plant	Japan Greenery Research and Development Center Award
2014	Suntory Tonegawa Brewery	Minister Prize of Economic, Trade and Industry
2014	Kyushu Kumamoto Plant	Minister Prize of Economic, Trade and Industry
2014	Haruna Plant	Japan Greenery Research and Development Center Award
2019	Kyushu Kumamoto Plant	Prime Minister's Award
2023	Kita Alps Shinano-no-Mori Water Plant	Japan Greenery Research and Development Center Award

Other greenification commendations

Year of commendation	Plant of commendation	Name of commendation	Hosted by
1986	Kyushu Kumamoto Plant	Kyushu Bureau of Economy, Trade and Industry Greenery Award	Kyushu Bureau of Economy, Trade and Industry
1997	Suntory Tonegawa Brewery	National Arbor Day Awards Grand Prize in the Contest for Environmental Greening	Gunma Prefecture
2005	Kyushu Kumamoto Plant	Prize for Kumamoto Scenery/Prize for Local Scenery	Kumamoto Prefecture
2011	Okudaisen Bunanomori Natural Mineral Water Plant	Award from The Japanese Society of Revegetation Technology (Technology Award)	The Japanese Society of Revegetation Technology
2018	Kyushu Kumamoto Plant	Kumamoto Environmental Grand Prize	Kumamoto Prefecture

Dialogue with Customers through Plant Tours

We offer plant tours of our breweries, whisky distilleries, wineries, and natural mineral water plants so that more people can become familiar with our dedication to good taste and safety, our concern for the environment, and the approaches we take through our products. While viewing our production processes, visitors will be provided with easy to understand explanations about the detail that goes into our work and enjoy tasting and other activities. In addition, special seminars to learn the commitment toward brewing beer and ways to enjoy whisky are held, attracting approximately 660,000 visitors each year.



Natural mineral water plant tour



Special seminar held at a beer plant

Suntory "Land of Water" Kumamoto Support Project

Supporting Kumamoto Earthquake Recovery Efforts

Suntory Holdings Ltd. started Group-wide recovery support activities as the Suntory Land of Water Kumamoto Support Project to support the revitalization of Kumamoto after the earthquake that struck in 2016.

We have delivered approximately 210,000 bottles of Suntory Tennensui mineral water in April 2016 and contributed 100 million yen in relief aid to municipalities affected by the Kumamoto earthquake in May 2016.

Thereafter, Suntory decided to provide additional support of ¥300 million in October 2016. We launched the Suntory Land of Water Kumamoto Support Project, and we will continue to focus on activities that ensure the sustainability of groundwater in the Kumamoto region as well as those that support the livelihoods of the community members in affected areas through culture, arts, and sports based on the desire to contribute to the recovery of the prefecture as a company with the Suntory Kyushu Kumamoto Plant located in Kumamoto.



More information about these initiatives

[Kumamoto Earthquake Recovery Support Site](#)

Activities to Contribute to Sustainability of Groundwater in the Kumamoto Area

Suntory Kumamoto Groundwater Mirai Project

「サントリー熊本地下水みらいプロジェクト」



Recovery of Winter Rice Fields



Renovations



Planting Event



Long Awaited Harvest

Activities to Support the Mind and Body Through Culture, Arts and Sports

Holding sports classes

We hold volleyball and rugby classes by Suntory's sports teams and baseball classes in disaster affected areas.

Number of participants

Approx. **2,200**



Suntory SUNGOLIATH
Rugby Classes



Watching tour of RUGBY WORLD CUP
JAPAN 2019 with Suntory SUNGOLIATH

[Movie](#)



Suntory SUNBIRDS
Volleyball Classes

Suntory Dream Match Live



Vienna Philharmonic Recovery & Remembrance Concert

In cooperation with the Vienna Philharmonic Orchestra, we established a fund, and, in addition to presenting performances by orchestra members, we provided grants and technical support to local organizations.

Number of participants

Approx. **1,300**



Recovery & Remembrance Concert Led by Super Kids Orchestra Yutaka Sado

Supporting recovery concert activities since 2015 by Super Kids Orchestra led by international conductor and Super Kids Orchestra Artistic Director Yutaka Sado.

Number of participants

Approx. **3,000**



"Minna no Machi" concerts held through the cooperation of Kumamoto Prefectural Theater, the Kyushu Symphony Orchestra, and Suntory

We have been holding concerts at elementary schools, public halls, and other locations around the Kyushu Kumamoto Plant in cooperation with Kumamoto Prefectural Theater and the Kyushu Symphony Orchestra since 2018.



Number of participants
Approx. **3,000**

Community Support

Support Activities Using Suntory Capital Expanded with Focus on Kashima, Mashiki and Mifune around the Kyushu Kumamoto Plant in Kyushu

In cooperation with Suntory Flowers, we deliver flower seeds and flower pots to local people and hold workshops



Everyone Afflicted by the Disaster from Kashima, Mashiki and Mifune around the Kyushu Kumamoto Plant in Kyushu Invited to a Plant Tour

Invited people living in temporary housings in Kashima, Mashiki and Mifune around the Kyushu Kumamoto Plant



Number of participants
Approx. **850**

Kumamoto Future Vision Program



Five years after the Kumamoto Earthquake, and beyond.

In 2021, Suntory, as a local company, will continue to think about the future of Kumamoto together with the next generation and continue our efforts to be close to the community.

- [News Release \(Japanese only\)](#)
- [Special Site \(Japanese only\)](#)

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The Suntory Tohoku Sun-Sun Project

Activities to Support the Recovery from the Great East Japan Earthquake

The Suntory Group is expanding its support for recovery from the Great East Japan Earthquake. Immediately after the earthquake, the Suntory Group provided 1 million bottles of mineral water as emergency relief supplies and donated ¥300 million to the three affected prefectures. We also worked to provide support for the reconstruction with contributions equivalent to a total of 10.8 billion yen: 4 billion yen in 2011, 2 billion yen in 2012, 2.5 billion yen in 2013, and 2 billion yen in 2014.

The Suntory Group launched the "Suntory Tohoku Sun-Sun Project" and actively continues its support activities with focus on "Support Recovery of the Fishing Industry," "Youth Support Initiatives," "Challenged Sports," and "Support through Culture, the Arts, and Sports" with the hope to bring warm light like the sunshine, and smiles and joy to disaster affected areas. We support the purchase of fishing vessels, fishing equipment and fixed fishing nets to assist the early recovery of the fishing industry. We award grants to students at fisheries high schools, provide a safe and secure environment for children to learn and play such as childcare facilities, and support NPOs that help children such as Save the Children Japan. We engage in other various cultural and sports activities to bring smiles and joy.

Since 2014, we have been providing support for Challenged Sports in Iwate, Miyagi, and Fukushima prefectures, based on our desire to deliver hopes and dreams. We will donate the equivalent of 1 billion yen over the period of six years focusing on Challenged Athlete Subsidy aimed at supporting individual athletes and organizations, Challenged Sports Academy aimed at providing opportunities mainly for children to experience challenged sports and engage with athletes, and Challenged Sports Training Support aimed at popularizing, strengthening and supporting them.

In February 2021, thinking that there must be something we can do to help the efforts of these people in Tohoku, we started the "Mirai Challenge Program." To help build the future of Tohoku, this program will provide support through grants to people working toward regional revitalization in the prefectures of Iwate, Miyagi, and Fukushima.

SUNTORY
東北サンさん
プロジェクト
since 2011

Result of Support

Recovery Support for the Fishing Industry

Donating to the reconstruction of the prefectures' fishing industries

To support early reconstruction through the auspices of prefectural governments, Suntory donated ¥3.0 billion to Miyagi Prefecture and ¥2.5 billion to Iwate Prefecture



Support to cover costs of acquiring fishing vessels

To ease the burden on fishermen, the Suntory Group is acting through the auspices of Miyagi Prefecture and Iwate Prefecture to shoulder a portion of the costs to acquire new fishing vessels. The Group is supporting the restoration of about 10,000 vessels of all sizes and types, from deep-sea tuna vessels to squid fishing vessels

Amount of support to cover costs of acquiring fishing vessels

Approx. **10,000** ships



Support to restore fishing-related facilities

Donations for the reconstruction of the fishing industry in Miyagi Prefecture and Iwate Prefecture are also used in the restoration of fixed fishing nets and aquaculture facilities

Amount of support for fishing vessels

Approx. **1,100** locations

Amount of support for fixed shore nets

Approx. **400** locations



Youth Support Initiatives

Scholarships for fisheries high schools

For five years beginning in 2012, the Suntory Group is providing free scholarships to disaster affected students at seven fisheries high schools

Number of scholarship recipients (total)

Approx. **3,000**



Support for building a place for children in Fukushima to learn and play

We build childcare facilities, hold workshops conducted by various Suntory Group companies, provide training for instructors, excursions, etc. so that children in Fukushima Prefecture can learn and play in safety

Number of childcare facilities built

5 facilities

Number of outdoor activity participants such as summer camps

Approx. **8,800**



Providing assistance to NPOs that support the children of Fukushima

We provide three year aid for organizations that provide intensive support to children in Fukushima Prefecture who have been living in evacuation centers for long period of time

Number of organizations that were awarded grants

57 organizations



Construction of Ishinomaki City Children's Center "Raitsu" and Yamada Fureai Center "Hapine"

We provided aid for the total cost of construction for the Ishinomaki City Children's Center "Raitsu" (Miyagi Prefecture) and Yamada Fureai Center "Hapine" (Iwate Prefecture) facilities that were planned and designed by the children



Number of Ishinomaki City Children's Center "Raitsu" users annually

Approx. **3,300**

Number of Yamada Fureai Center "Hapine" users annually

Approx. **67,000**

Cooperative program through music with the TOMODACHI Initiative

We are supporting students in disaster affected areas to attend music school in the United States with the cooperation of the TOMODACHI Initiative led by the US Embassy and U.S.-Japan Council. In the TOMODACHI Suntory Fukushima Mirai Music Program, we provide opportunities for the music club of Fukushima Futaba Mirai Gakuen High School to learn at workshops conducted by the New York Philharmonic orchestra in the United States



Donation

Approx. **\$1,000,000**

Supporting Challenged Sports

Challenged sports experience classroom

We have been holding classes where children from Iwate, Miyagi, and Fukushima prefectures can experience playing various Challenged Sports together with challenged athletes from the Tohoku region



Number of participants

Approx. **1,000**

Visits by athletes

Athletes visit schools to provide children at elementary schools and junior high schools in areas affected by the disaster to allow them to experience wheelchair basketball and conduct boccia experience activities at special needs schools



Number of participants

Approx. **4,646**

Challenged athlete subsidy

We provide grants to individuals and organizations as a way to support the training of athletes on par with global standards and to develop and popularize challenged sports



Individual

Total **294** people

Organization

Total **129** teams

(As of January 2020)

Challenged sports training support

We support strengthening the base and improving the environment of Challenged Sports through renovating public facilities and donating sports wheelchairs in order to develop and popularize them

Hosting introductory workshops for wheelchair sports to cultivate challenged sports coaches in each prefecture



Sports wheelchairs

35

STT table-tennis tables

5

Facility renovations

3 locations

Introductory Workshop to Wheelchair Sports

Held **13** times

Support through Culture, the Arts and Sports

Vienna Philharmonic & Suntory Music Aid Fund

Together with the Vienna Philharmonic Orchestra, Suntory is providing aid for music-related initiatives and is bringing concerts to the disaster affected areas



The number of attendees at Concerts for Kids

Approx. **14,000**

Performance held by Vienna Philharmonic & Suntory Music Aid Award activities

128 organizations



Suntory and Japan Kogei Association Omoshiro Bijutsu Classroom in Tohoku

The Suntory Group conducted visit to schools by designated Preservers of Important Intangible Cultural Properties (also known as Living National Treasures) and other traditional handicraft artists



Number of participants in the Omoshiro Bijutsu Classroom

Approx. **1,200**

Suntory Museum of Art Traveling Exhibition

We hold exhibitions of Japanese art with items in the collection of Suntory Museum of Art in Sendai City and Koriyama City



Number of visitors

Approx. **14,000**

Michinoku Wind Orchestra

We operate a project which provides an opportunity for junior high and high school brass band members in disaster-affected areas to ultimately perform at Suntory Hall afterpractice.



Number of participants

Approx. **350**

Music for Everyone Concert held by Suntory and the Sendai Philharmonic Orchestra

Touring concerts were held for disaster affected area in Tohoku from 2016 through collaboration with the Sendai Philharmonic Orchestra centrally located in Sendai.



Number of participants
Approx. **5,000**

Inviting the people from the disaster affected areas to cultural and sports events

We invited the people from the disaster affected areas to cultural events, such as Suntory Presents Beethoven's 9th with a Cast of 10,000, and sports events, such as Suntory Dream Match and international rugby match



Number of visitors to cultural events
Approx. **9,400**

Number of visitors to sporting events
Approx. **21,500**

Holding sports workshops

Each year we hold volleyball, rugby and baseball workshops led by Suntory's sports teams in disaster affected areas



Sports workshop participants and competition attendees
Approx. **6,200**

Mirai Challenge Program and Shin Mirai Challenge Program

Thinking that there must be something we can do to help the efforts of these people in Tohoku, we started the "Mirai Challenge Program" and the "Shin Mirai Challenge Program."



These programs will award a total of approximately **200 million** yen to groups and individuals seeking to start new projects to revitalize the local community in Iwate, Miyagi and Fukushima prefectures. These programs currently support a total of 147 challenges.

- ▶ [Activities to Support the Recovery from the Great East Japan Earthquake \(Japanese only\)](#) 
- ▶ [Mirai Challenge Program \(Japanese only\)](#) 

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Supporting Challenged Sports

The Suntory Group started supporting challenged sports in 2014 as part of our recovery support for the disaster-stricken Tohoku region.

In 2015, we have worked broadly in efforts such as expanding and strengthening our initiatives while bringing together athletes to reach beyond the framework of recovery support.

PASSION FOR CHALLENGE -- Reaching for Dreams United --

Challenged athletes have the resolve to persevere beyond any limitations regardless of disability.

Suntory has been forging avenues to a variety of new fields since its founding based on the "Yatte Minahare" challenging spirit.

This is exactly the reason Suntory empathizes with the passion and perseverance of these athletes. We are broadening these activities based on our desire to support the athletes to overcome any challenges and support their infinite potential.

1. Official Partner

- (1) Japanese Para-Sports Association (From 2015)
- (2) Japan Wheelchair Basketball Federation (From 2015)
- (3) Wheelchair Basketball Teams: Miyagi MAX and TEAM EARTH (Fukushima)
Russell Iwate and SCRATCH (From 2015)
- (4) Japan Table Tennis Federation For Intellectual Disability (From 2020)



2. Hands-on Classrooms

We have held more than 47 hands-on basketball clinics by inviting instructors from Miyagi MAX and other teams to teach at elementary and junior high schools as well as other public facilities, to cultivate awareness and popularize challenged sports.

From 2023, wheelchair basketball clinics called "athlete visit" will be held for elementary and junior high school students in the suburbs at the TOKYO ARIAKE ARENA, which is known as a sacred place for wheelchair basketball.

We also offer experience in a broad range of competitions from blind soccer and blind marathons to chair skiing and boccia.

Number of Participants: Cumulative Total of Approx. 5,500

(As of January 2020)



3. Suntory Challenged Athlete Subsidy

We provide grants to Iwate, Miyagi, and Fukushima prefectures with the aim of training and empowering athletes at a global level.

Grant Recipients: 294 Individuals/129 Organizations (Total of approx. 206,000,000 yen)

(As of January 2020)

In 2023, through the Suntory Challenged Sports Athletes Incentive Program, we support the activities of young athletes and sports organizations throughout Japan who are recommended by the 57 areas para-sports associations.



4. Introductory Workshop to Wheelchair Sports (Offering to Persons with No Experience and Supports of Wheelchair Sports)

The goal of these workshops is to expand the range of wheelchair sports. 13 clinics have been held in Iwate, Miyagi and Fukushima prefectures up until now by inviting Daisuke Hashimoto, who acquired a rehabilitation sports instruction license from the German Paralympic Committee, as the instructor.

5. Sports Equipment Donations/Sports Facility Renovations

Suntory has donated sports equipment such as competitive wheelchairs to Iwate, Miyagi and Fukushima prefectures and conducted renovations of facilities, including the gymnasium where Miyagi MAX trains in order to facilitate an appropriate challenged sports environment.

Facility renovations: 3 locations; Sports wheelchairs: 35; STT table-tennis tables: 5



6. Event Sponsorship

We sponsor and support the operation of the events below to popularize wheelchair basketball as well as put in place a competitive environment.

We are conducting various initiatives to bring even greater affinity to these sports. (FY2019 Results)

(1) Wheelchair Basketball Championship Emperor's Cup

Sponsorship of the competition and expansion of various measures as a special sponsor

- Wheelchair Basketball Hands-on Booth Exhibition and Give-away Sample Program

A Wheelchair Basketball Experience Corner with VR video gives everyone a first-hand simulated experience from the eyes of the athlete during a match

- Suntory Wheelchair Basketball Corner

Hands-on shooting corner installed for everyone to try shooting hoops from an actual wheelchair

- Secondary Awards

Winners of the MVP, Score Leader and Special Suntory Yatte Minahare-Go for it Prizes receive 1-year of suntory products

(2) International Women's Wheelchair Basketball Friendship Games OSAKA CUP

(3) World Challenge Cup International Wheelchair Basketball Competition

(4) Kitakyushu Champions Cup International Wheelchair Basketball Competition

7. Employee Participation and Enlightenment

(1) Suntory conducted hands-on wheelchair basketball clinics as well as demonstrations through National Team athletes at the softball competition for employees of the Suntory Group who work in the Kanto region (approx. 3,600). The rugby and volleyball teams from Suntory participated to bring about an exchange through sports which eliminates any boundary felt due to a disability. (Conducted since 2015)

(2) Competition Spectators (Number of Participants Watching and Cheering on Athletes in 2018: Approx. 510)

The Japan Para Championships (2015), Kitakyushu Champions Cup International Wheelchair Basketball Competition (2015,2016,2017,2018,2019,2022), 2015 IWBF Asia-Oceania Championship Cup (2015), International Women's Wheelchair Basketball Friendship Games OSAKA CUP (2016, 2017,2018,2019,

2020,2023), Japan Wheelchair Basketball Championship (2016, 2017, 2018, 2019,2023) and the World Challenge Cup International Wheelchair Basketball Competition (2017, 2018, 2019) were widely announced to employees.

(3) Competition Volunteers

A total of 15 people participated in the All-Japan Wheelchair Basketball Championship (2016), the Japan Wheelchair Rugby Championships (2016) and hands-on classrooms.



8. Video Produced to Explain Wheelchair Basketball Rules

Suntory produced a video to describe the rules of wheelchair basketball in an easy-to-understand manner through animation to show at competitions such as the All-Japan Championships to bring greater awareness to wheelchair basketball.



9. A VR Video Gives Everyone a First-hand Perspective from the Eyes of Wheelchair Basketball Athlete During Competition

Suntory produced a VR video with the participation of Japan National Team members (2016) to simulate the perspective of the athletes during a match to demonstrate the intensity and grace of wheelchair basketball.



10. Publishing OUR PASSION Project Series on the Suntory Homepage

We publish OUR PASSION about perseverance through interviews with athletes and staff who are involved with Suntory Challenged Sports Projects to bring enlightenment and popularize both the players and the sports.



11. Activity Support for Challenged Athlete Mami Tani (Formerly Mami Sato)

Mami Tani participated in 3 Paralympic Games in a row with a long jump. She turned to paratriathlon from 2016, participated in the 2020 Tokyo Games where she gave a bid speech, and served as the flagship of the Japanese team at the opening ceremony. She is also engaged in a variety of CSR activities, including disaster recovery assistance.



12. Start up “Parasports Design College”

Co-sponsored by Athletic Communication Co., Ltd. which operates the internet sports media “SPORTS BULL,” this is a year-long project in which university students, who will lead the next generation, will think, take action, and communicate about a symbiotic society using para-sports as a starting point. Focusing on wheelchair basketball, university students themselves will broadcast live games and interview athletes, and will continue to disseminate various contents. We hope that university students will think and communicate on their own, which will lead to the learning of university students for the appeal of para-sports.



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Empowering Children & Youth

▼ Policies and Our Approach | ▼ Our Initiatives

Policies and Our Approach

Basic Policy on Social Activities

Since first opening its doors, the Suntory Group has been involved in community contribution, arts, culture, sports and environmental activities based on the spirit of Giving back to Society. The social activities of the Suntory Group contribute to sustainable growth of its businesses while solving issues in local communities. To support the development of the next generation, we provide opportunities for children to experience the best in such fields as music, art, sports, and environmental education. As the birthrate declines and the importance of nurturing the next generation increases, we are strengthening these activities to support the development of rich individuality and character in children.

Suntory Group Basic Policy on Social Activities

The Suntory Group follows the principle of “Giving Back to Society” established by our founder. We actively engage in undertakings for the public benefit to create a world in which people can lead meaningful lives.

“To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature,” which is our corporate philosophy, we strive to deliver the highest quality products and services to customers while taking responsibility for contributing to enriching society and sustainable planet.

1. Promote activities based on the standpoint of the next generation and actual situation worldwide together with our employees around the fields of arts and culture, sports, social welfare, and the natural environment.
2. Focus on a dialog with stakeholders and work to generate links and cooperation.
3. Support the wide-range of volunteer activities of employees.

Our Initiatives

Suntory *Mizuiku*-Education Program for Nature and Water

Suntory *Mizuiku*-Education Program* for Nature and Water started in 2004 in Japan. The program is unique to Suntory designed for the next generation to realize the beauty of nature and the importance of water and the forests that nurture the groundwater. It also inspire them to think about what each can do for sustainability on water. The program centers on two activities: Outdoor School of Forest and Water and Teaching Program at Schools. It started online in 2020. As the Suntory Group's business activities expand worldwide, we also started to develop the program overseas in 2015. In addition to the Japanese program, the global *Mizuiku* program promotes activities tailored to local water issues.

* Sponsor: Ministry of the Environment, Ministry of Education, Culture, Sports, Science and Technology, etc.



➤ For more information, see [Suntory Mizuiku - Education Program for Nature and Water](#).

Plastics-related Educational Opportunities

The Suntory Group uses large numbers of PET bottles in its business activities. As such, we are working to realize a sustainable society by promoting understanding of recycling initiatives and separated PET bottle collection through external seminars aimed at building awareness on the part of young people. An example would be the agreement we concluded in 2021 with Waseda University to help realize a resource-recycling society. At elementary and junior high schools in municipalities with which we have concluded agreements, we conduct classes to promote awareness and understanding of “bottle to bottle” horizontal recycling and proper separation of PET bottles, and give students a chance to think about recycling and resource circulation.



Next-Generation Empowerment Activities

The wide range of challenges facing children & youth is an important social issue in Japan. The Suntory Group wants to help create a society where children & youth can overcome challenges with motivation, hope, and dreams. To that end, we are engaged in next-generation empowerment activities in their support. The Group has committed a total of 1 billion yen over three years starting in 2024 to provide not only financial support such as grants to NPOs that share the same awareness of the issues, but also to start providing human resources support such as secondment of employees.

Suntory Next-Generation Empowerment Project Launched

The Suntory Group has launched the Suntory Next-Generation Empowerment Project. Children & youth are unique and have unlimited potential. The project reflects our hope that it will contribute to realizing a society where children & youth can attain their potential even in the face of difficulties.

We believe NPOs have an important role to play. By collaborating with schools, administrative entities, and local communities, they gain a deep understanding of the conditions surrounding children & youth and of their needs. Our goal is to solve social issues by providing support to NPOs and collaborating with them. The project will receive support from experts in a wide range of fields acting as advisors and fellows.



➤ For more information, visit the [special website \(in Japanese\)](#)

Supporting the Development of Children through Music

Suntory Hall operates a variety of programs for youth and children to provide opportunities for experiencing the excitement of live performances by top-class musicians and to develop a rich sense of humanity through music.

Subscription Concert for Children

Suntory Hall has held the "Subscription Concert for Children" since 2001 with the hope to establish a tradition of regular visits to concert halls in children and bring classical music into their lives. This is Japan's first subscription orchestra concert for children. We collect and adopt illustrations for the flyers and the theme song for the season from the children in a format that allows children to not only listen but also participate.



A four-hand piano performance by a young soloist, who passed an audition, and Michie Koyama, one of Japan's top pianists, with the orchestra



Young musicians passed an audition win an opportunity to perform with Tokyo Symphony Orchestra

Suntory Hall Keizo Saji Junior Program Seat

To commemorate the aspirations of the late Keizo Saji, the founding President of Suntory Hall, who strongly believed that younger generations should be fostered in an excellent music environment, Suntory Hall selects the most appropriate concerts to be held in the Main Hall for three pairs of one elementary or junior high school student and one accompanying parent making a total of six participants to be invited for each concert.



Keizo Saji Junior Program Seat



Suntory Hall Academy

Suntory Hall Academy, comprised of the Opera Academy and Chamber Music Academy, is geared towards young musicians who are on their way to becoming professionals. In addition to receiving coaching from the world's leading artists, fellows (academy members) attend regular workshops to deepen their musical knowledge and perform in actual concerts.



Giuseppe Sabbatini, one of world's acclaimed Tenor, also gives lessons in person as the Executive Faculty of Opera Academy.



Some alumni and fellows of Chamber Music Academy won international competitions and broaden their career internationally.

Violin Loaning Program for Students

Every year since 2014, the Suntory Foundation for the Arts has loaned a world-class violin for three years free of charge as the "Suntory Foundation for the Arts Special Prize" in the "All Japan Student Music Competition (sponsored by the Mainichi Newspapers), Violin Division, Junior High School Division and High School Division." So far, 15 young musicians have received the loan. Suntory supports the activities of the next generation of young performers by providing them with new opportunities through a variety of activities.



'10th Suntory Foundation for the arts Special Prize'
in 2023 Winner, Hibiki Oya
Historical violin TOMASO CARCASSI are loaned.



Historical Violin
TOMASO CARCASSI(made in 1751/Italy)

Supporting the Development of Children through Art

Aiming to become a museum where children are always there, we provide various programs which children can easily enjoy art and nurture the mind to love art.

Offering Learning Programs

The Suntory Museum of Art is actively working to proliferate education to the next generation according to the "Art Revised, Beauty Revealed" museum message. We offer free admission to children in junior high school and younger, and also distribute activity sheets. This tool not only guides users to notable areas of interest, but also cultivates a spirit to enjoy free inspiration brought by appreciation. Various learning programs that can be enjoyed by both children and adults are offered at each exhibition. In addition to lectures and workshops, online video streaming is now available as well. Moreover, as a "school program," we invite children and students in elementary and junior high schools mainly from Minato-ku to visit as well as teach art at those schools.



Activity sheet for children



Suntory Museum of Art
Art Club for junior and senior high school students

All Day Kids' Museum!

All Day Kids' Museum! is a special event when the museum is open to elementary and junior high school students as well as their guardians on a day that the museum is normally closed during which a variety of educational programs are held. This event has been held once a year since 2014. While viewing exhibitions as they enjoy things such as doing quizzes and drawing sketches using a worksheet, we provide a complete museum experience through specialized programs for children, including interactive art appreciation, workshops, and a museum tour.



All Day Kids' Museum!



Interactive art appreciation program

Art Kids Club Iro-Iro Do-Re-Do-Re

This joint project of Suntory Hall and Suntory Museum of Art is a creative art experience and appreciation program for preschool children aged 3 to 6.



Suntory Hall and Suntory Museum of Art joint workshop



Art Kids Club Iro-Iro Do-Re-Do-Re

Supporting the Development of Children through Sports

The Suntory Group runs a variety of activities designed to support the healthy development of children's minds and bodies through sports. As part of the activity, Suntory's sports teams, Tokyo Suntory SUNGOLIATH and Suntory SUNBIRDS promote their sports.

The athletes and staff of the two teams hold workshops to directly teach children. In addition, the SUNGOLIATH instructs at rugby schools and operates rugby sports events while the SUNBIRDS instructs local volleyball teams and students and supports the operation of volleyball tournaments, to cooperate in offering opportunities for children to experience sports.

Wheelchair basketball workshops are also held for elementary and junior high school students to promote and nurture wheelchair basketball in Challenged Sports.



Rugby workshop



Volleyball workshop



Wheelchair basketball experience event

Support through the Hibarigaoka Gakuen

The Hibarigaoka Gakuen has been supporting integrated education from kindergarten to high school since Shinjiro Torii became the first chairperson in 1950. Shinjiro Torii places importance on being devoted to one's parents and kept saying "a person who is devoted to his own parents can do anything well." The founding spirit has been passed down today and the school engages in educating people based on the belief that "Parents wish for the growth of their children, and children are grateful and respectful of their parents, and this natural human spirit is the basis for the family circle and the desire to serve society." From 2008, as educational supports of next generation, we have provided primary school and junior high school students environmental curriculum on flower (*Hanaiku*) and water (*Mizuiku*) and out of school activities.



Planting trees at the outdoor education classes

Nurturing Challenging Spirit through Experiencing Camping at an Uninhabited Island

Since 2007, the Suntory Group has been promoting Yoshima Project in cooperation with Kobe YMCA which operates a camping site in an uninhabited island in Shodo-gun, Kagawa Prefecture from 1950. The project is intended to nurture spirit of challenge and dreams of children experiencing rich natural environment unique to an uninhabited island and holds Adventure Camp and various programs around the year. Every year, approximately 3,500* children participated in the program.

* Due to the impact of the Covid-19, the number of participants and programs have been limited since 2020 .



Yoshima Summer Camp

Arts & Culture

▼ Policies and Our Approach | ▼ Our Initiatives

Policies and Our Approach

Basic Policy on Social Activities

Since first opening its doors, the Suntory Group has been involved in community contribution, arts, culture, sports and environmental activities based on the spirit of Giving back to Society. The social activities of the Suntory Group contribute to sustainable growth of its businesses while solving issues in local communities. We have established the Suntory Group's Basic Policy on Social Activities and aim to improve the value of our corporate brand across the globe through promoting activities unique to Suntory with the Group companies.

▶ [For more information, see Communities.](#)

Our Initiatives

The Suntory Group is involved in a variety of cultural contribution activities such as operating the Suntory Museum of Art, Suntory Hall and other activities that contribute to the development of a rich culture and lifestyle.

In addition, we also support social science and humanities academic research and the research activities of the Suntory Foundation for Life Sciences. Through these activities we aim to foster international human resources capable of leading the next generation.

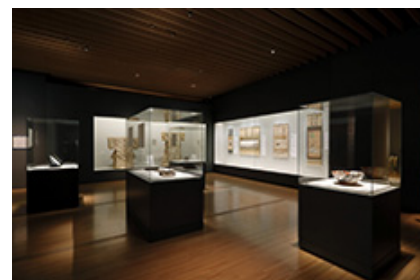
Suntory Foundation for the Arts

Suntory Museum of Art opened in 1961 and Torii Music Foundation was established in 1969 as a 70th anniversary commemoration of the founding of Suntory (Torii Music Foundation changed to Suntory Music Foundation in 1978). In 2009, the Suntory Foundation for the Arts was established commemorating the 110th anniversary of the company, uniting and transforming these two activities which have been engaged in the field of the arts for nearly half a century into a new form suitable for the 21st century.

▶ [For more information, see Suntory Foundation for the Arts](#)

Suntory Museum of Art -- Art revised, beauty revealed

Opened in 1961 with the basic philosophy of "Art in Life," the Suntory Museum of Art has hosted special exhibitions and expanded its collection, mainly consisting of Japanese art pieces. In March 2007, the museum was moved to Tokyo Midtown in Roppongi. Under the theme of "Art revised, beauty revealed," the museum has held a variety of special exhibitions with approximately 3,000 items from its collection, including one National Treasure and 15 Important Cultural Properties, and continues its activities to pass on the aesthetic values that lie at the heart of Japanese people to future generations. The museum, designed around the theme of "urban living room" by architect Kengo Kuma, features a store, a café, a tea ceremony room and a hall that features various programs, among others.

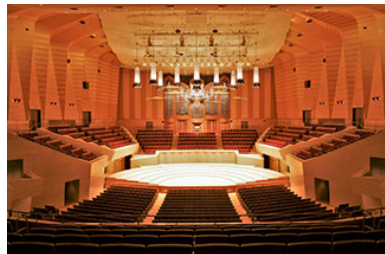


Suntory Museum of Art

▶ [For more information, see Suntory Museum of Art](#)

Suntory Hall — In pursuit of the world’s most beautiful sound

The Suntory Hall opened in 1986 as Tokyo’s first dedicated concert hall. Performances by leading musicians from Japan and overseas are performed in two halls, The Main Hall with a vineyard style, praised as "a jewel box of sound" by world-renowned conductor Herbert von Karajan, and Blue Rose (Small Hall) which gives the space a warm sound and atmosphere and the audience can feel close to the performers. Every year, Suntory Hall holds approximately 600 events by world’s top artists from home and abroad, and welcomes approximately 600,000 visitors. In September 2021, visitors to Suntory Hall hit 20 million since its opening. In 2021, we opened the "Digital Suntory Hall," allowing visitors from all over the world to enjoy Suntory Hall’s facilities and concerts beyond distance and time.



Suntory Hall

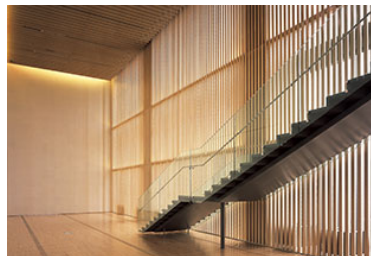
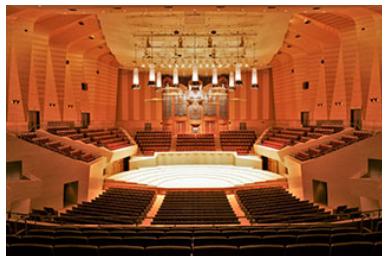


Visitors to Suntory Hall hit 20 million since its opening.

- [For more information, see “Suntory Hall”](#)
- [For more information, see “Digital Suntory Hall”](#)

Suntory Hall and Suntory Museum of Art Purchase 100% Renewable Electricity

From April 2022, the Suntory Group purchases 100% renewable electricity for all 30 directly owned manufacturing sites and R&D facilities in Japan. Suntory Hall and Suntory Museum of Art have also switched to purchasing 100% of their electricity from renewable energy sources. Through these efforts, the two facilities have been able to reduce CO₂ emissions by approximately 800 tons per year compared to the past. We believe that both "the most beautiful echoes in the world" and "urban living room" can be realized by placing importance on harmony with nature as well as with people and society.



Music Division — Innovative Activities to Promote Music

We are involved in a variety of projects designed to promote Western music in Japan, including awarding the Suntory Music Award to individuals and organizations that have made outstanding achievements in the field of music as well as the Keizo Saji Prize awarded for outstanding challenging performances and the Yasushi Akutagawa Suntory Award for Music Composition given to up-and-coming Japanese composers with superior works. We also introduce "Japanese Contemporary Compositions" on our website. Since 2014, Suntory has also been aiming to conserve excellent stringed instrument artifacts which are cultural heritage assets as well as cultivate new musicians through lending activities. The Suntory Foundation for the Arts lends its instruments to junior high and senior high school students and has begun a new program to lend instruments to up-and-coming musicians.



Suntory Music Award and Keizo Saji Prize ceremony

Vienna Philharmonic & Suntory Music Aid Fund

Together with Suntory Holdings Ltd., the Suntory Foundation for the Arts engages in Vienna Philharmonic & Suntory Music Aid Fund activities for the purpose of invigorating disaster afflicted areas as well as the rest of Japan.

We are expanding many of these activities from the Music Aid Award that issues grants to music activities provided together with the Vienna Philharmonic to Concerts for Children in disaster-affected areas and mentoring of junior orchestras and musical remembrances.



Vienna Philharmonic & Suntory Music Aid Fund:
Musical Exchange with the Sendai Junior Orchestra

➤ [For more information, see Music Division](#)

➤ [For more information, see Vienna Philharmonic & Suntory Music Aid Fund \(in Japanese\)](#) [🔗](#)

Suntory Foundation

Suntory Foundation was established in 1979 in celebration of Suntory's 80th anniversary. Aiming to deepen international and interdisciplinary exploration of society and culture, we will support and discover of talented human resources across a wide range of fields, and support original and adventurous research, and, contribute

to the dramatic development of cultural exchange between the world and Japan.

Our initiatives as a Humanities and Social Sciences Promotion Project effort include research assistance and investigative research in the fields of the humanities and social science, awarding of the Suntory Prize for Social Sciences and Humanities, and overseas publishing support. Community Culture Promotion Project efforts include awarding the Suntory Prize for Community Cultural Activities and support for regional cultural activities.

In recent years, the Foundation has been actively working to provide support to young researchers, and carrying out initiatives including providing support those who will lead the future of society, and working to bridge the gap between researchers and society by providing opportunities for exchange between the worlds of academism and journalism.



Suntory Prize for Social Sciences and Humanities award ceremony



Suntory Prize for Community Cultural Activities award ceremony



Grant for Groundbreaking Young Researchers report briefing

▶ For more information, see [Public Interest Incorporated Foundation Suntory Foundation for Culture](#)

Suntory Foundation For Life Sciences

Preceded by the Institute of Food Chemistry which was established in 1946 to improve the health and nutrition of the Japanese people, the name was changed to Suntory Institute for Bioorganic Research (SUNBOR) in 1979 and Suntory Foundation for Life Sciences in 2011. The Foundation promotes research and disseminating academics of bioorganic science, which is a fusion of life science and organic chemistry. It has produced many university professors and other researchers that play active roles on the frontline.

We engage in research activities for unveiling the mechanisms of life emphasizing molecules using the keywords "metabolism," "biomembrane," and "signalling" by positioning our own research into structural biology, organic chemistry, and molecular biology as points of integration for dissimilar fields. Collaborative research with research institutions such as universities is also promoted. It also operates analysis center to aid research by universities. SUNBOR GRANT for young researchers, SUNBOR SCHOLARSHIP for graduate students, aiding academic meetings, system of postdoctoral fellow, educational support for universities, and other activities to train researchers are also operated.



Exhibition displaying the history of the foundation



800 MHz superconducting nuclear magnetic resonance equipment

The discovery of enzyme gene for biosynthesis of Sesamol and Sesaminol from Sesamin, antioxidant components of sesame, has been published for the first time in the world. Also, the gene controlling the contour shape of leaves and the blue formation mechanism created through interaction between flower pigment and flavonoid glycoside are also now known. These and many other research results are published in prominent academic papers. In addition, joint researchers and front-line researchers are invited to hold debriefing sessions annually.



Research Institute Annual Meeting (Saji Keizo Memorial Hall, Osaka University Nakanoshima Center)

SunRiSE (Suntory Rising Stars Encouragement Program in Life Sciences)

"SunRiSE " has been established to support the life science researchers who will lead Japan's basic research in the future and take on great challenges.

In FY2020, 10 young researchers (SunRiSE Fellows) were selected from among nearly 500 applicants, and the 5-year program started in April 2021. Following on from the research discussion meetings that were held at the end of FY2021 and FY2022, an interim report presentation meeting was held toward the end of FY2023, at which each SunRiSE Fellow reported on the progress made in their research over the past three years and their research strategy for the remaining two years. The Fellows received advice from different perspectives from the members of the Program's steering committee and from the SunRiSE Advisors, and their future research results are eagerly anticipated.



Press Conference on the Establishment of SunRiSE



The SunRiSE award ceremony

➤ For more information, see [Public Interest Incorporated Foundation Suntory Foundation for Life Sciences](#) 

Suntory Presents Beethoven's 9th with a Cast of 10,000 – Spreading the Joy of Singing Together

Suntory Presents Beethoven's 9th with a Cast of 10,000 started as a commemorative event of the opening of the Osaka-Jo Hall in 1983 which was held for the 41th time in 2023.

The Suntory Group has been a co-sponsor from the first time, the concert has become a seasonal event in December.

The wide ranging event went beyond the borders of the region and surpassed generations with the participation of 10,000 people of all ages and nationalities with the expansion of the lesson venue as an opportunity to experience the joy of singing and the excellence of classical music.

In 2011 to 2013, Tohoku venue, which was linked live with the Osaka-Jo Hall, was also set as a part of an activity to support the recovery from the Great East Japan Earthquake. In 2014, 150 people from Iwate, Miyagi and Fukushima prefectures were invited to the Osaka-Jo Hall.

From 2017, in addition to television broadcasts, we have been providing LINE LIVE, a live broadcast for reaching more viewers. We also undertook a new challenge in 2020 by inviting people from throughout the country to participate by posting singing videos, in 2022, as 40th anniversary concert, over 10,000 songs were collected from the Osaka-Jo Hall, remote choir all over Japan, and posting singing videos from many countries. Then, in 2023, 10,000 Choirs gathered together for the first time in four years, at the Osaka-Jo Hall.



Suntory Presents Beethoven's 9th with a Cast of 10,000



10,000 Choirs online to participate
The 38th Suntory Presents Beethoven's 9th (2020)

➤ For more information, see [Suntory Presents Beethoven's 9th with a Cast of 10,000 \(in Japanese\)](#) 

Championing Sports

▼ Policies and Our Approach | ▼ Our Initiatives

Policies and Our Approach

Suntory Group actively supports sports promotion activities to contribute to people's rich culture and lifestyle. We have our own rugby and volleyball sports teams that compete to become champions in their respective leagues in Japan as well as engage in community-based activities in cooperation with their home towns. We are also engaged in other activities such as holding women's golf tour and baseball event and offering support for parasports.

Our Initiatives

Suntory's Rugby Team Tokyo Suntory SUNGOLIATH

Tokyo Suntory SUNGOLIATH was created in 1980, and has taken the Top League championship five times and won the All-Japan Rugby Football Championship eight times. The team is currently participating in JAPAN RUGBY LEAGUE ONE that started in 2022.

SUNGOLIATH has signed comprehensive partnership agreement for the development of local community with Minato Ward in September 2020; Fuchu City, Chofu City, and Mitaka City in April 2021; and Tokyo in November 2021, and strengthened ties with the community. Members of the Tokyo Suntory SUNGOLIATH instructs rugby experience for elementary school students at host town as well as share their life story in a workshop called Trying for Dreams and teach students about important things in life.



Rugby Team Tokyo Suntory SUNGOLIATH



Rugby Clinic



Lecture titled "Trying for Dreams"

▶ [For more information, see Tokyo Suntory SUNGOLIATH](#)

Suntory's Volleyball Team Suntory SUNBIRDS

Suntory SUNBIRDS, created in 1973, participates in the V. Premium League Division 1, the top company volleyball league in Japan. SUNBIRDS is prestigious team that won its 10th league championship in 2024. In 2023, they became the first Japanese team to win the Asian Club Championships, and in the World Club Championships, they took third place and a bronze medal, proving that they can compete globally.

The team has signed comprehensive partnership agreement for the development of local community with Minoo City in October 2021 and offers volleyball clinic instructed by the players and staff for wide range of generation with a focus on elementary and junior high school students at the home town.

SUNBIRDS also actively engages in social contribution activities such as instructing older generations exercise using balls, supporting activities for recovery after the Great East Japan Earthquake, and holding volleyball clinic for elementary and junior high school students at home games.



Volleyball Team Suntory SUNBIRDS



Volleyball Clinic



Comprehensive partnership agreement with the home town

[For more information, see Suntory SUNBIRDS \(in Japanese\)](#)

Ai Miyazato Suntory Ladies Open Golf Tournament: Pathway to AIG Women’s British Open

Suntory Ladies Open Golf Tournament is an official ladies open golf tournament of the Ladies Professional Golfers’ Association of Japan hosted by Suntory. The event is held annually at the Rokko Kokusai Golf Club in Kobe City. This tournament is seen as a competition to test the true skill of the golfers because it is held for four days, while in Japan most golf tournaments usually last for three days. Ai Miyazato, a professional golfer affiliated with Suntory, acts as an advisor for the tournament and is involved with setting the course, PR for the tournament, and hospitality for visitors. As an international open tournament, it opens its doors and supports the growth of next generation of Japanese and international amateur golfers who are expected to become leading players in the future, and actively engages in other charitable events.

From the 30th tournament in 2021, the first- and second-place golfer gain entry to the AIG Women’s British Open.



Tournament winner Chisato Iwai (right) and tournament ambassador Ai Miyazato (2023 tournament award ceremony)

[For more information, see Suntory Ladies Open Golf Tournament \(in Japanese\)](#)

Suntory Dream Match

Suntory has been hosting baseball games that deliver dreams and excitement since 1995. These event-type games, featuring retired pro baseball legends, have brought joy to more than a million fans to date. The 27th match in 2023 was the first time in four years, since the onset of the pandemic, that the game was played before a full stadium. The Premium Malt’s team, led by Manager Koji Yamamoto, and the Dream Heroes team, led by Manager Yasushi Tao fought a heated battle. The Suntory Dream Match is also a charity event, and a portion of the proceeds are used to support charity activities such as baseball classes for kids throughout Japan.



[For more information, see Suntory Dream Match \(in Japanese\)](#)

Supporting Challenged Athletes

Suntory Group started the project in 2014 as part of our recovery support for the disaster-stricken Tohoku region.

In addition to providing incentives to athletes and donating athletic equipment, we have also held classes in wheelchair basketball and other challenged sports for

children in Tohoku. To date, more than 5,000 people have participated. Since 2015, Suntory has been an official partner of the Japan Para-Sports Association and the Japan Wheelchair Basketball Federation, and has been involved not only in reconstruction assistance but also in support for athletes, including Suntory employee Mami Tani, a para-triathlete, in their athletic activities and competitions. In addition, Suntory is involved in promotional activities through the production of wheelchair basketball rules videos, VR videos of wheelchair basketball, and a series of web-based projects that introduce the passion of the athletes. Last year, we launched a project with university students to promote the appeal of para-sports. We will continue our challenges with our athletes under our PASSION FOR CHALLENGE grounded in our "Yatte Minahare" spirit that we have had since our founding. From 2023, through the Suntory Challenged Sports Athletes Incentive Program, we support the activities of young athletes and sports organizations throughout Japan who are recommended by the 57 areas para-sports associations.



"Suntory Challenged Sports Athlete Incentive Program" press release



Mami Tani working hard in training



Co-creation activities with university students, "Para-Sports Design College"



Wheelchair basketball experience event

➤ For more information, see [Supporting Challenged Sports](#)

Governance

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Corporate Governance

- Our Approach
- Promoting Structure

Our Approach

The Suntory Group aims "To inspire the brilliance of life, by creating rich experiences for people in harmony with nature," and we are promoting the enhancement of corporate governance in order to improve management efficiency, maintain good relationships with stakeholders such as local communities, customers, business partners, and fulfill our social responsibilities as a company.

Promoting Structure

Boards Responsible for Group Management

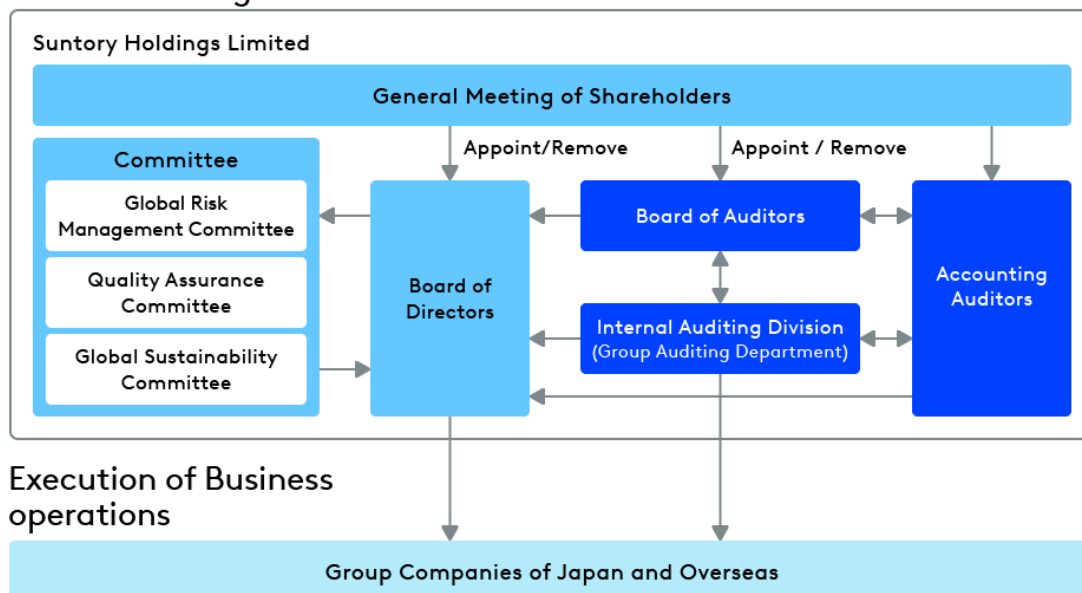
The Suntory Group is introducing a holding-company system. The holding company, Suntory Holdings' Board of Directors is made up of 11 directors, including 1 external director (as of April 2024). The Board of Directors engages in concrete discussions, debates and makes decisions regarding management issues of the entire Group and also performs an auditing function of the business administration practiced by all Group companies. The adoption of the Executive Officer system helped to separate the business administration decision-making process from the execution of business operations and to make decision-making process more agile.

The Management Auditing System

Suntory Holdings' Board of Auditors is made up of 4 auditors, including 2 independent auditors (as of April 2024). It audits the execution status of business operations as well as the status of the internal control system. Audit & Supervisory Department was established to aid the audits performed by the Board of Auditors. In addition, the Suntory Group has established Group Auditing Department that acts as an internal auditing division that audits and inspects the execution status of business operations of all Group companies. The external auditors also audit accounts, verifying the appropriateness and legality of accounts and the internal accounting systems from an objective perspective.

Corporate governance structure

Business Management



Strengthening Internal Control Systems

We are aiming to build a more effective governance structure by strengthening efforts such as compliance, information management, and risk management based on the Basic Policy on Internal Control Systems enacted by Suntory Holdings' Board of Directors.

[▶ For more information, see Basic Concepts and Operations for the Internal Control System](#)

Suntory Beverage & Food Ltd.'s Corporate Governance

Suntory Beverage & Food Ltd., which is listed on the Prime Market of the Tokyo Stock Exchange, is an Audit and Supervisory Committee company. This structure was established for the purpose of improving the effectiveness of auditing and supervision through audits by directors who are committee members approved by the Board of Directors in addition to introducing audits that utilize an internal auditing division to facilitate more highly-transparent governance. Three of the nine directors (including directors who are members of the auditing committee) that make up the Board of Directors are independent directors (as of April 2024).

Furthermore, Suntory Beverage & Food has also stipulated the ability to appoint directors for some or all decisions necessary for executing operations with approval at the Board of Directors Meeting. This measure realizes management strategy and achieves management indicators set as goals by conducting more comprehensive and practical deliberation such as debate about management strategy, medium- and long-term plans, and management challenges. It is also for the purpose of allowing for faster decision-making while enhancing supervision functions at the Board of Directors Meeting through decision-making based on the management committee and internal rules for executing each operation. We also disclose compliance status of the corporate governance code on our homepage.

[▶ For more information, see Suntory Beverage & Food Ltd.'s Corporate Governance](#)

Basic Concepts and Operations for the Internal Control System

Suntory Holdings Limited (the "Company") hereby establishes the Basic Policy on an Internal Control System outlined below to provide ongoing growth and maximize the corporate value of the entire Suntory Group while maintaining a good relationship with all stakeholders.

I . System for Ensuring That the Execution of Duties by Directors, Executive Officers and Employees of the Company, as well as by Directors, Executive Officers, Others with Equivalent Duties and Employees of the Company's Subsidiaries Conform with Laws and Regulations and the Articles of Incorporation

1. In line with our corporate purpose, which is to "inspire the brilliance of life, by creating rich experiences for people, in harmony with nature," and in accordance with the Suntory Group's Code of Business Ethics, each and every one of the Company's Directors, Executive Officers, and employees shall follow a code of conduct that emphasizes complying with the requirements of the law and respecting social ethics when carrying out business activities by making decisions for the organization.
2. The Directors and Executive Officers shall take the initiative in complying with laws and regulations, the Articles of Incorporation, and business ethics, and actively make efforts to maintain and improve compliance management.
3. The Board of Directors shall establish a Global Risk Management Committee and individual risk management committees (the Global Risk Management Committee and each risk management committee at each Group company shall hereinafter be referred to as the "Risk Management Committee"), and the Risk Management Committee shall promote a compliance system and deliberate on priority issues. In addition, each Group company shall put in place a department in charge of compliance to conduct periodic education and training activities as well as establish and promote compliance systems throughout the Suntory Group with the Risk Management Committee at the core to ensure the comprehensiveness of activities.
4. The Directors, Executive Officers, and Audit & Supervisory Board Members (hereinafter referred to as "Auditors") of the Suntory Group shall report any compliance issues that are discovered immediately to the Risk Management Committee. In addition, the Company shall put in place compliance hotlines inside and outside of the Company to allow employees of the Suntory Group to report on compliance related issues to the department in charge of compliance, which will report to the Risk Management Committee as necessary. The Risk Management Committee and the department in charge of compliance shall investigate the contents of any report they receive, discuss the issue with relevant departments as necessary, take corrective action, establish measures to prevent any recurrence, and implement these measures. The Risk Management Committee and the department in charge of compliance shall report to the Board of Directors and the Audit & Supervisory Board as necessary regarding the content of their deliberations and their activities.
5. Directors and Executive Officers shall be dispatched to subsidiaries as necessary to appropriately execute business, make decisions and perform supervision. In addition, the relevant departments of the Company shall provide advice, guidance and support to the subsidiaries.
6. Auditors or equivalent persons (hereinafter referred to as "Auditors, etc.") shall be deployed to subsidiaries as necessary to perform audits. In addition, the Auditing Department shall carry out internal audits of subsidiaries.
7. The Auditing Department shall carry out internal audits pertaining to the status of compliance and the appropriateness for operations of employees of the Suntory Group, and report the results of the audit to the Representative Director and President.
8. Internal control systems shall be established and maintained to ensure the appropriateness of financial reporting.
9. Directors and Executive Officers of the Suntory Group shall establish and promote a system to prevent any relations with antisocial forces and clearly reject any improper demands that are made.

II . System for the Preservation and Management of Information Concerning the Execution of Duties of Company Directors

1. Officers in charge of general affairs shall store and manage vital internal documents as well as revise and improve document management rules and other regulations as necessary.
2. Directors and Executive Officers shall store and manage minutes of the shareholders meetings, minutes of Board of Directors meetings and documents pertinent to important decision-making (including electronic or magnetic records, the same applies hereinafter) as well as other important information related to the execution of duties by Directors and Executive Officers in accordance with laws and regulations as well as internal rules.
3. The documents and other materials mentioned above shall be kept in a condition such that allows for Directors, Executive Officers, and Auditors to view them as necessary.
4. The Risk Management Committee shall establish and promote an informational security system that does not only protect and preserve information, including personal information, but also increases corporate value by use of information.

III. Regulations and Other Systems for Managing Risk of Losses of the Company and Its Subsidiaries

1. The strategic decision-making related to the management of the Suntory Group shall be performed by the Board of Directors. With regard to major risks relating to group management, the Board of Directors shall select Directors or Executive Officers to be responsible for addressing these risks, who will then make decisions regarding the response to each risk.
2. The Board of Directors shall put in place the Suntory Group's risk management system and supervise the operation of this system. Besides the Risk Management Committee, the Board shall also establish other committees, including the Quality Assurance Committee and Global Sustainability Committee, and shall receive reports from these committees and issue instructions to them.
3. The Risk Management Committee, Quality Assurance Committee and Global Sustainability Committee, etc., will undertake comprehensive, overall management of operational risks, quality risks, and sustainability issues for the Suntory Group as a whole. In addition, with regard to major risks, where necessary, they will formulate rules and guidelines for the management of the risk in question and implement related training activities, etc.
4. The Global Risk Management Committee will take on the role of promoting risk management activities for the Suntory Group as a whole, and will identify risks affecting the Suntory Group, draw up strategies to respond to these risks, and monitor the progress made in responding to risks.
5. The Quality Assurance Committee will take on the role of promoting quality assurance activities throughout the Suntory Group, and will identify quality assurance issues affecting the group, draw up strategies to respond to these issues, and monitor the progress made in responding to issues.
6. The Global Sustainability Committee will take on the role of promoting sustainability-focused management throughout the Suntory Group, and will identify sustainability-related issues, draw up strategies to respond to these issues, and monitor the progress made in responding to issues.
7. Each Executive Director and Executive Officer shall hold responsibility for addressing risks inherent in business execution. Moreover, material risks shall be analyzed and evaluated, and improvement plans shall be discussed and determined by the Board of Directors.

IV. System for Ensuring that Directors of the Company and Directors and Executive Officers of the Company's Subsidiaries as well as Others with Equivalent Duties Execute Their Duties Efficiently

1. The Board of Directors shall determine the basic management policy and Company-wide goals of the Suntory Group, and the Directors and Executive Officers in charge shall specify efficient methods for achieving such goals, such as specific targets and appropriate allocation of authority aimed at achieving the Company-wide goals.
2. Directors and Executive Officers in charge shall confirm progress made in achieving goals and report the specific measures to achieve the goals to the Board of Directors and the Management Committee.
3. Each Director and Executive Officer shall be in charge of appropriately executing business operations and shall strive to make decisions efficiently under the Responsibility and Authority Rules.

V. System for Reporting to the Company Matters Related to the Execution of Duties by Directors and Executive Officers of the Company's Subsidiaries

1. The status of the business execution of Directors and Executive Officers at subsidiaries shall be regularly reported to the Board of Directors and the Management Committee.
2. Directors and Executive Officers in charge of subsidiaries shall request reports on the status of business execution from the Directors and Executive Officers of the subsidiaries as necessary.
3. Directors and Executive Officers in charge of subsidiaries shall, in the event of a risk emerging that could potentially affect that subsidiary or the Suntory Group, speedily report the risk to the department responsible for responding to such risks, and shall, if necessary, report it to the Global Risk Management Committee.
4. Certain matters concerning management of subsidiaries must be consulted with and reported to the relevant departments, or otherwise must receive approval from the Board of Directors of the Company under the Responsibility and Authority Rules.
5. The Auditing Department shall report the internal audits results of subsidiaries to the Representative Director and President as necessary.

VI. Other Systems for Ensuring the Appropriateness of Business of the Group Consisting of the Company, Its Parent Company and Its Subsidiaries

Dealings between Group companies, including the parent company and public subsidiaries, shall ensure appropriateness in matters such as conducting business and deciding on business matters to provide objective and rational content.

VII. Matters Regarding Auditors of the Company and Employees Who Are Requested to Assist in their Duties, Matters Regarding the Independence of Such Employees from Directors and Executive Officers, and Matters Related to Ensuring the Effectiveness of Instructions Given to Such Employees

The Company shall place employees to assist the duties of Auditors after deliberation if necessary for the Auditors .

In addition, the Company shall respect and execute directions of the Audit & Supervisory Board such as the transfer and evaluation of such employees, and ensure the independence of such employees from Directors and Executive Officers.

Moreover, such employees shall follow the instructions and directives from the Auditors when assisting in the duties of Auditors.

VIII. Systems for Directors, Executive Directors and Employees of the Company and Directors, Executive Directors, Auditors, Others with Equivalent Duties and Employees of the Company's Subsidiaries or Other Persons Who Receive Reports from Such Persons to the Company's Auditors and Other Systems Related to Reporting to the Auditors

1. Auditors shall attend Board of Directors meetings, and the Representative Director and President as well as the Directors and Executive Officers in charge shall provide reports of business execution that they are in charge as necessary.
2. Directors, Executive Officers and Employees of the Suntory Group shall promptly and clearly respond to inquiries about operations and assets when requested by Auditors to report on businesses.
3. The Auditing Department of the Suntory Group shall regularly hold liaison conferences between Auditors and the Audit & Supervisory Board of the Company to report the current status of matters such as internal audits.
4. The departments in charge of internal reporting systems shall report the status of internal reports to Auditors and the Audit & Supervisory Board of the Company as necessary.
5. In the case of internal reports that relate to Suntory Group Directors, Auditors, Executive Officers or Advisors, the contact window that received the internal report in question shall report the matter to the Auditors of the company where the reported behavior occurred, and shall liaise with them regarding the strategy to be adopted in response.

IX. System for Ensuring the Person Who Has Reported to the Company's Auditors Are Not Treated Adversely Based on the Fact Such a Report has Been Made by the Person

The Directors, Executive Officers and employees of the Suntory Group shall prohibit any adverse treatment based on a report to the Auditors through a department in charge of compliance or another reporting system.

X. Systems for Ensuring Advance Payment or Reimbursement of Expenses Arising in Conjunction with the Execution of Duties by Auditors of the Company and Other Policies for Processing Expenses and Obligations Arising with Respect to Execution of Such Duties, and Other Systems for Ensuring That the Auditors Effectively Performs Audits

1. If Auditors, in conjunction with the execution of its duties, asks the Company for advance payment, etc. of expenses under Article 388 of the Companies Act, the Company shall promptly process such expenses or obligations, unless they are not necessary for the Auditors to execute their duties.
2. Auditors shall strive to communicate and exchange information with the Auditors, etc. of Company subsidiaries or the Auditing Department.
3. Auditors shall put in place opportunities to exchange opinions with the Representative Director and President as well as accounting auditors.

Overview of the Operational Status of Internal Control Systems

Given the Company aim of being a "global food and alcoholic beverage company," we are well-aware of the importance to that end of maintaining and operating internal control system encompassing Group-wide risk management and compliance, in order to further ensure ongoing growth and maximize the corporate value of the entire Suntory Group. The following is a summary regarding the operational status of the Company's internal control system.

1) Operational status of the risk management system

- The Global Risk Management Committee and the various risk management committees within the Suntory Group have been holding meetings on a regular basis, and have accordingly been identifying risks facing the Suntory Group, formulating measures for addressing such risks, and checking on progress made with respect to taking action in that regard.
- Details regarding activities carried out by the Global Risk Management Committee have been reported to the Board of Directors.
- With respect to quality risks, the Quality Control Committee has been holding meetings on a regular basis, and has accordingly been identifying issues involving matters of quality control pertaining to the Suntory Group, formulating measures for addressing such concerns, and checking on progress made with respect to taking action in that regard.
- To ensure information security, we have been implementing information management education and awareness activities, and have otherwise been taking steps geared toward discouraging unsuitable means of information management and preventing leakages of confidential information.

2) Status of initiatives related to compliance

- We have established the Suntory Group's internal and external compliance hotlines, including our Group companies overseas, and make the hotlines' availability known to our employees by means that include providing details via our intranet and on posters. When it comes to reports and consultations regarding incidents, the relevant departments have been taking responsibility to investigate the facts at hand, and then accordingly taking corrective measures and implementing measures to prevent recurrence, as necessary. Moreover, our "Rules on the Suntory Group's Whistleblowing System" prohibit adverse treatment of whistleblowers for having reported incidents or for otherwise having sought consultation in that regard, and we are implementing these rules. Suntory Holdings has been awarded certification to recognize its whistleblowing system (system for self-declaration of conformance), which was introduced by the Consumer Affairs Agency.
- Our Compliance Department has been playing a central role in efforts geared toward further heightening awareness of compliance practices, through initiatives that include carrying out surveys of employees and others to gauge their awareness of matters such as compliance issues and the corporate culture, and then providing feedback on survey results. In addition, our Compliance Department strives to further raise compliance awareness by conducting educational activities on compliance, including harassment and anti-bribery.

3) Status of Initiatives to Improve the Efficiency of Business Execution

- The Board of Directors has been holding meetings on a regular basis where they engaged in tasks that included formulating the Mid-Term Plan, drafting budgets, and making managerial decisions involving mergers and acquisitions, capital investment and other such matters.
- At their meetings, the Board of Directors was provided with reports on the Suntory Group's business performance, and accordingly verified and discussed matters such as progress made in achieving the Suntory Group's business objectives, its management challenges, along with measures in that regard.

4) Status of audits by the Audit & Supervisory Board Members

- Audit & Supervisory Board Members have been attending important meetings of the Board of Directors, Risk Management Committee and other such bodies, through which they have been able to obtain reports on business execution provided by Directors, Executive Officers and others.
- Audit & Supervisory Board Members share information and collaborate with the internal audit divisions, and the Audit & Supervisory Board members and internal audit divisions carry out joint audits as necessary.
- Audit & Supervisory Board Members have been communicating and exchanging information with Audit & Supervisory Board Members of subsidiaries of the Company, or internal audit divisions of the Company.
- Audit & Supervisory Board Members has been providing opportunities for the exchange of opinions with the Representative Director and President, Outside Directors and the Accounting Auditor.

5) Operational status of internal audits

The internal audit divisions have been conducting internal audits of the Company's respective divisions as well as its subsidiaries in Japan and overseas on the basis of audit plans. In so doing, the internal audit divisions have been providing directives or otherwise making recommendations geared toward enabling those entities to make improvements when necessary, and have also been reporting results of the internal audits, as needed, to the Representative Director and President.

Compliance

[▼ Policies and Our Approach](#) | [▼ Promoting Structure](#) | [▼ Our Initiatives](#)

The Suntory Group strives to create an organization and a corporate culture that place the highest priority on compliance to fulfill our responsibilities and meet the expectations of our customers and society.

We are building a compliance promotion system to realize our corporate philosophy from a cross-Group view based on this.

Policies and Our Approach

Suntory Group Code of Business Ethics: The fundamental principles shared by all employees for the realization of the corporate philosophy

The Suntory Group Corporate Ethics Code was established in 2003 and indicates the fundamental principles that all employees must share. We are building a compliance promotion system to realize our corporate philosophy from a cross-Group view based on this Code of Business Ethics. We also revised the content by referring to the ISO26000 international standard for social responsibility in 2012 and adapted the content in 2017 for all Group employees around the world to better understand it.

[▶ Suntory Group Code of Business Ethics](#)

Promoting Structure

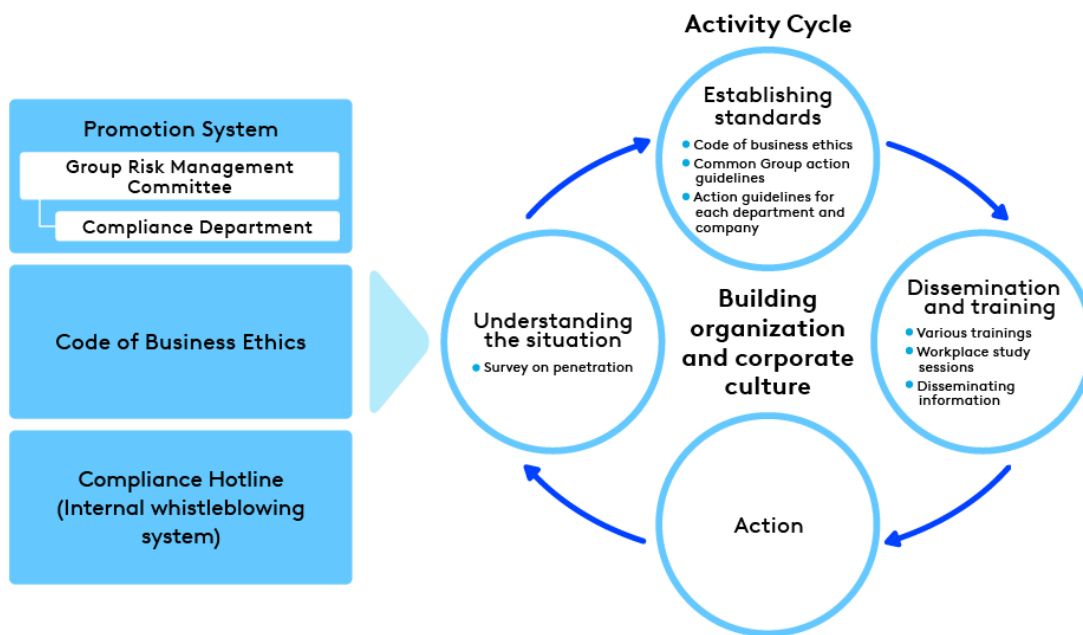
Promotion System Rooted in the Frontlines

To promote compliance from a cross-Group perspective, the Compliance Department was established under the Group Governance Division to specifically promote compliance.

The Compliance Department formulates and implements specific measures in line with Group Governance Division policies, monitors the status of implementation at each workplace, and provides suggestions and advice on issues. It also established a Compliance Hotline (internal reporting system) and is responding fairly, impartially, and in good faith. We have revised some of the rules for the internal reporting system to operate more effectively under this system following revisions to the Whistleblower Protection Act.

In addition, specific personnel responsible for promoting compliance are assigned at each Group company, both within Japan and abroad. They take an active role in promoting compliance, formulating policy customized for the circumstances in their own company, and informing colleagues about that policy.

Compliance Promoting Structure



Enhancing the Hotline for Early Discovery and Resolution of Problems

The basic rule in Suntory is that when an employee discovers actions that breach the Suntory Group's Code of Business Ethics, he or she must first report it to the supervisors and seek their advice.

However, we have also established a Compliance Hotline both internally (our Compliance Office) and externally (3rd party law firm) as contact point for all of the Group companies in Japan in order to quickly discover and resolve compliance issues when reporting or consulting with a supervisor is not appropriate. A multilingual support system is in place so that foreign employees who are not good at Japanese can use it. Additionally, in order to avoid accessibility issues due to technical or financial reasons, we have made this mechanism accessible to all employees through different methods (digital and analog), including web, smartphones, telephone, and mail.

The internal awareness of this mechanism is measured every year through initiatives such as the "Employee Awareness Survey" as a way to engage users and assess the current mechanism, and the current awareness rate is over 90%. We also strive to keep improving the awareness rate and accessibility of this mechanism by sharing these results (including comparisons with previous year) with our top management.



Compliance Hotline awareness poster

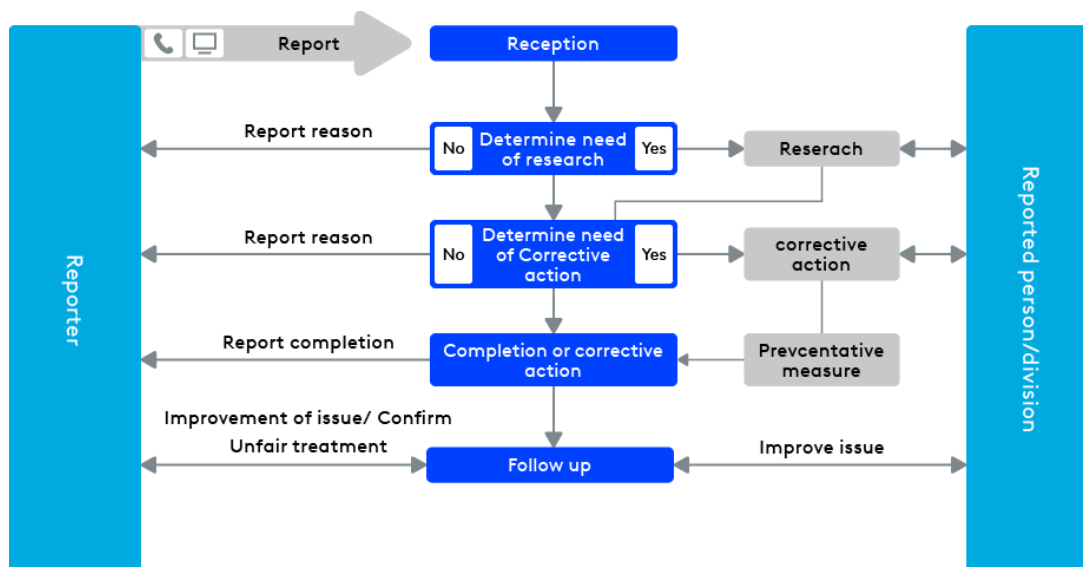
In 2023, a total of 164 reports were received through these contact points in Japan. Roughly 60% of the reports received in Japan were about labor, personnel and management issues, including human rights related issues.

If there is a suspicion of non-compliance based on the content of the report, we take into consideration the privacy protection of all persons involved in accordance with the Suntory Group Internal Reporting System Regulations. In that case, respecting the situation of the reporter, the compliance officer promptly conducts a confidential investigation within the company, and promptly requests that the situation be rectified while escalating to the relevant executive in charge, and then follows up on the measures taken, so as to realize improvements and prevent reoccurrence of the problem. After a certain period of time has passed after the response, we close the case once we receive a report on the state of change from senior management as a follow-up.

Protecting the Reporters

The Suntory Group has established a Compliance Hotline. Internal Reporting System Regulations prohibits any type of negative impact on reporters such as retaliation or the spreading of rumors. In order to achieve this, when the Compliance Office conducts an investigation it identifies the persons concerned and then confirms the "internal reporting system regulations", protecting thus the rights of the reporter. In addition, during the interviews with the reporter on the closing of each case, we also check that reporters have not suffered any disadvantages during the process. Furthermore, we are working to create a culture in which compliance reports are protected not only by the persons concerned, but also by the entire workplace by proactively disseminating the "internal reporting system regulations" within the company on a daily basis.

Compliance Hotline Response Flow



Our Initiatives

Activities to Ensure Compliance

Disseminating the Code of Business Ethics, and Implementing Compliance Awareness Raising Activities

So that the Code of Business Ethics would be understood and put into practice on a daily basis by all Suntory Group executives and employees, both the Japanese-language and English-language versions of the Code of Business Ethics have been posted on our internal intranet.

Within Japan, every year we provide opportunities for employees to re-familiarize themselves with the content of the Code of Business Ethics by means of workplace discussion sessions and e-learning regarding compliance related incidents that have occurred outside the Group, topics that are recognized as issues in the Group or in individual companies, etc. We also strive to remind employees about the fundamentals of compliance, and to promote ethical behavior.

We disseminate related information at Compliance Net in our intranet on a regular basis, including content that will help employees to understand the essence of compliance, such as content on topics linked to activities being undertaken at the time, as well as content that helps employees understand the essence of compliance through case studies from around the world. The compliance promotion managers in each company play a central role in spreading awareness to all employees.

Each Group company in Japan undertakes related activities in which the compliance promotion managers play a key role. The Compliance Department provides suggestions and tools tailored to the challenges of each company, implements group training and offers other measures of support for Group companies in Japan. We are also providing training for directors and managers who have been newly appointed at Group companies in Japan to help them develop a more in-depth understanding of the leading role that they need to play in compliance management.

Insider Trading Prevention Systems: Implementation and Communication

The Risk Management Department of Suntory Holdings Ltd. and Suntory Beverage & Food Ltd. and the management headquarters of Suntory Beverage & Food Ltd. are working to comprehensively prevent insider trading by introducing e-learning based on the content provided by the Tokyo Stock Exchange, as Suntory Beverage & Food Ltd. is listed on the Tokyo Stock Exchange.

Implementing the Suntory Group Code of Business Ethics in Business Activities

We have clarified our emphasis on compliance in the Code of Business Ethics. Each department has set and is operating policies and voluntary standards for challenges related to various compliance in their business activities based on the concepts of the Code of Business Ethics.

Ensuring Fair Business Practices

The Suntory Group conducts business fairly, holding integrity as a prerequisite, and abides by all laws and regulations, including the Antimonopoly Act. Since the formulation of the Guideline for Compliance of the Antimonopoly Act in 1992, we have revised and implemented the guideline in accordance with revisions of laws and changes in the environment. We are working to ensure thorough awareness of and compliance with the Anti-Monopoly Act and related laws and regulations by posting on our intranet the Key Points to Consider for the Promotion Campaigns under the Act against Unjustifiable Premiums and Misleading Representations and our Compliance Manual for the Act against Delay in Payment of Subcontract Proceeds and by holding regular briefings for each division and group company. To ensure fairness in our day-to-day activities with suppliers and customers, our specialized departments are actively involved from the planning stages of product development, sales, and marketing, and verify the response policies and activities of related departments from the perspective of legal compliance.

Establishing Committees to Promote Fair Business for Alcoholic Beverages

A Fair Trade Promotion Committee was established to promote fair business practices at Suntory Liquors Ltd., the Suntory Group company responsible for the sale of alcoholic beverages. This was done in keeping with the Fair Practice Guidelines for the Liquor Business* and to maintain compliance with laws and regulations specific to alcoholic beverages as well as internal proprietary standards.

* The Fair Practice Guidelines for the Liquor Business are administrative guidelines established by the National Tax Agency in 2006. These guidelines prevent worsening of management of liquor business operators and the reduction of liquor taxes due to dumping caused by excessive competition. We set fair partnership conditions and make rebates more transparent to stabilize management of liquor business operators. This is also coordinated by Fair Business Committee responsible for overseeing the Antimonopoly Act.

Transparency of Business Activities and Prevention of Bribery

The Suntory Group's Code of Conduct prohibits the provision of excessive business entertainment and gift-giving to any counterpart regardless of whether it is a corporate entity, individual, political or governmental entity, or any other related organizations or companies, and establishes that relationships with all parties should comply with laws and be fair and transparent.

We also regularly provide training opportunities such as e-learning for employees who may be involved in corruption.

➤ [For more information on the Anti-Bribery, see Risk Management.](#)

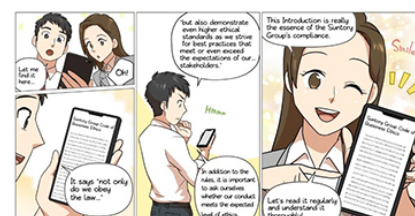
Global Compliance Initiatives

We are working to build a global compliance promotion system and integrate global standards in line with the global expansion of the Suntory Group.

As part of our global risk management system, we have established the Suntory Group Global Hotline, a unified global contact window for whistleblowing which covers Group companies throughout the world.

The Hotline is able to receive reports in multiple different languages, including English, Chinese and Spanish, and can handle reports and requests for consultation from people in many different countries. In 2023, there were 68 reports submitted to the Suntory Group Global Hotline. There were no reports relating to child labor or forced labor.

The Compliance Department uses a shared global education platform to implement e-learning aimed at ensuring employee awareness of the Code of Business Ethics and of personal data protection issues, etc., and it provides support for compliance promotion activities at overseas Group companies. The Compliance Department has also produced short manga-style cartoons as an educational tool to strengthen awareness of the Code of Business Ethics in an easy-to-understand way, and these are being effectively utilized by individual overseas Group companies as teaching materials for employees who do not have access to the environment needed for e-learning.



Educational tool to promote understanding of the Code of Business Ethics (cartoon)

Employee Awareness Survey to Understand the Awareness Towards Compliance and the Organizational Culture

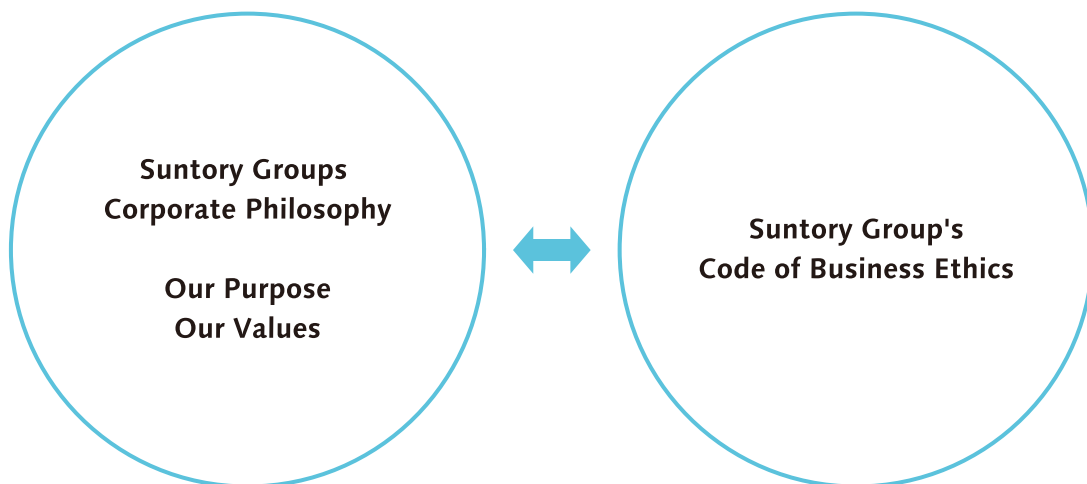
To understand the status of compliance and the organizational culture as well as to determine if there are any individual issues, we conduct awareness surveys for all Group employees in Japan. We investigate initiatives to promote awareness of compliance through the entire Group by understanding the challenges in each company and each department from these results. We share the discovered challenges with directors and managers at each company, and expect that related departments in these companies will take voluntary actions to resolve these challenges.

Overseas Group companies contribute to compliance management by conducting their own independent surveys.

Suntory Group Code of Business Ethics

Introduction

The fundamental principles that each employee must embrace so Suntory Group can fulfill its responsibilities to the public and earn its trust, while implementing its corporate philosophy.



The implementation of the Suntory Group Code of Business Ethics is based on the concept of “compliance”.

At Suntory Group “compliance” means “Comply with Another’s Wish”, in other words, not only do we obey the law, but also demonstrate even higher ethical standards as we strive for best practices that meet or even exceed the expectations of our consumers, customers, suppliers, business partners, communities, global society, natural environment, employees, and other stakeholders.

Even in an era of constant change, we, as members of the Suntory Group in pursuit of “Growing for Good,” earnestly engage with our various stakeholders, accept the diversity of people’s values, and conduct business with the utmost fairness and integrity.

We believe these behaviors enable the Suntory Group to remain genuinely trusted, chosen and valued by people and society.

1. Focusing on customers and consumers

We make our best efforts to ensure integrity and transparency in all interactions with customers and consumers, and we provide safe, reliable and high-quality products and services, aiming to contribute to their happiness.

1.1 Products and services

We make sincere efforts to deliver value that meets or even exceeds expectations of customers and consumers in all areas of our corporate activities including research and development, procurement, production, and sales.

1.2 Information and responsible marketing

We strive to provide accurate and timely information, including with respect to the reliability and safety features of our products, that helps our customers and consumers make informed decisions. We ensure that our product labels, advertisements, and commercial messages are clear, accurate and not misleading. Furthermore, as a corporate group that engages in a wide variety of businesses, we are committed to the responsible marketing of all our products and services.

1.3 Interactive communication

We strive to increase the satisfaction and trust of our customers and consumers by creating ample opportunities for interactive communication, and by reflecting their diverse views in our corporate activities.

2. Conducting business with integrity and fairness

We conduct all business activities in a fair and transparent manner, in accordance with the law and the highest ethical standards.

2.1 Compliance with the law, respect for standards and culture

We abide by applicable laws and regulations, respect international standards, and ensure that our corporate activities are fair, transparent, and show respect for the cultures, customs, traditions, and religions in all countries where we conduct business.

2.2 Fair competition

We prohibit the pursuit of profit by unfair or illegal means, in relations with business partners and competitors or otherwise, and commit to conducting business activities based on free and fair competition.

2.3 Corruption

We do not tolerate any form of bribery, money laundering, embezzlement or other illicit or corrupt practices in our own operations or with any person or organization. We maintain transparent and arms-length relationships with our business partners, government officials, and all other parties. In the areas of gifts, entertainment, charitable donations, and political contributions we strictly adhere to all applicable laws, regulations, standards and internal rules regarding prevention of bribery and corruption, as well as sound business practices.

2.4 Conflicts of interest

A potential conflict of interest arises in any situation where personal interests of an employee, an employee's relative or any other third party may conflict or interfere with the interests of the Suntory Group. We must disclose to the company any potential conflict of interest as soon as possible so that it can be appropriately considered and avoided. Furthermore, we must ensure that all decisions related to the selection of business partners, recruitment and other matters are transparent and based on rational and fair judgment.

2.5 Organized crime groups and trade controls

We do not have any relationships with organizations involved in illegal activities, and firmly stand against such organizations. Furthermore, we comply with applicable laws and regulations that control export and import, as well as trade restrictions that prohibit or limit trading with certain countries and organizations.

2.6 Financial and business records

We are committed to maintaining and disclosing financial and business records that accurately and properly reflect the true state of the business, in accordance with applicable laws and regulations as well as internal rules. We also ensure that all tax obligations are properly satisfied on the basis of such records.

3. Contributing to society

As a good corporate citizen, the Suntory Group strives to make positive contribution to society.

3.1 Local community contribution

We strive to engage with communities where we conduct business, and contribute to the solution of local problems, as well as the achievement of prosperous lifestyles.

3.2 Various cultural and social contribution activities

We strive to engage in various activities including the promotion of culture, arts, and sports. Furthermore, we are pleased to support individuals and groups who pursue such activities.

3.3 Support for employee activities

We actively support the participation of employees in volunteering and other social contribution activities.

4. Conserving the environment

We strive to conserve the global environment and ensure that a sustainable society rich in biodiversity and harmonious with nature is preserved for future generations.

4.1 Water sustainability

Water – is the source of all life forms and the key element of our business. We make continuous efforts to conserve the watersheds in order to contribute to water sustainability.

4.2 Reduction of environmental impact

We strive to reduce our environmental impact throughout the value chain, including in product development, manufacturing, distribution, and sales.

4.3 Continuous improvement of environmental performance

We are committed to continuous improvement of our environmental performance, delivered by proactive use of green technologies and efficiency upgrades, based on a robust Environmental Management System (EMS).

5. Respecting diversity and human rights, creating a positive work environment

We respect human rights and diversity, and endeavor to create a work environment where employees feel engaged and motivated.

5.1 Child labor and forced labor

We strictly prohibit the use of child labor, forced or involuntary labor or other illegal labor practices in any of our activities.

5.2 Discrimination and harassment

We provide a workplace where all employees are treated fairly, human rights and individual values are respected, and discrimination or harassment based on any grounds such as race, religion, gender, age, nationality, language or disability is not tolerated. All instances of human rights violation must be immediately addressed in appropriate manner and prevented from reoccurring, while due attention should be paid to safeguarding the privacy of all those affected.

5.3 Freedom of association

We respect employees' basic rights to freedom of association and collective bargaining.

5.4 Positive work environment

We create healthy, safe, and positive workplaces, and promote working styles that offer work-life balance.

5.5 Open and inclusive work culture

We cultivate an open-minded and inclusive workplace, where everyone's beliefs and values are respected, and where employees with diverse backgrounds are able to act and express themselves freely. Furthermore, we build harmonious relationships filled with a sense of unity, through effective communication across the Suntory Group.

5.6 Challenge and growth

We enable personal growth of our employees by encouraging them to set and achieve challenging goals with a feeling of pride and sense of responsibility towards their work.

6. Managing and utilizing information and corporate assets

We endeavor to appropriately protect, manage and utilize corporate assets and information, and respect the rights of third parties.

6.1 Corporate assets

We properly manage our corporate assets, whether tangible or intangible, in accordance with internal rules, and ensure that such assets are used only for our business operations.

6.2 Confidential information

We carefully manage the company's confidential information to ensure that it is not leaked or otherwise disclosed to any third party. Furthermore, we must not use information we learn through our work for the company or otherwise for unfair or illicit purposes, including insider trading.

6.3 Personal information

We obtain personal information or confidential information of our customers, consumers and business partners by proper means and use such information only for legitimate purposes. We also manage this information properly and in accordance with applicable laws and regulations as well as internal rules.

6.4 Intellectual properties

We protect our intellectual properties appropriately and we grant licenses to third parties in accordance with applicable laws and regulations as well as internal rules. We also fully respect the intellectual property rights of third parties and do not infringe or misappropriate them.

6.5 External communications

We understand that, as members of the Suntory Group, all public statements and the information we share in different circumstances can affect the reputation and business of the company and the Group. We remain constantly aware of this fact and ensure responsible conduct at all times in such public or external communications.

Administration and Implementation of this Code

Scope of application

- (1) The Suntory Group Code of Business Ethics (the "Code") applies to all directors, officers, employees of Suntory Holdings Limited and its group companies (Suntory Holdings Limited and its group companies are hereinafter collectively referred to as "Suntory Group", and individually a "Group Company").
- (2) The senior management of the Group Companies are expected to realize the spirit of this Code by modeling the behaviors embedded in this Code, promoting this Code within their respective Group Companies, and establishing effective corporate structures to implement and uphold this Code. Based on the spirit of this Code, each Group Company may establish and implement its own code of conduct, guidelines, manuals and other documents pertaining to corporate ethics or the provisions set out in this Code, which shall be used as the detailed standards of behavior at the respective Group Companies. Such code, guidelines, manuals and other documents should not contradict the Code.
- (3) We request anyone acting on behalf of any Group Company to ensure such actions comply with this Code. We also strive to encourage business partners of our Group Companies to understand and respect the provisions set out in this Code.

Establishment, revision and abolishment

The establishment, revision and abolishment of this Code shall be deliberated by the Global Risk Management Committee and approved by the Board of Directors of Suntory Holdings Limited.

Department in charge

This Code is governed by the Compliance Department of Group Governance Division, Suntory Holdings Limited (hereinafter, "SHD Compliance Department"), which provides the Group Companies with recommendations, and supports them in implementation of the provisions set out in this Code, and in the establishment of corporate ethics.

Compliance audit

To assess the compliance with and review the effectiveness of this Code, the Global Risk Management Committee will perform, or have any third party perform, audits of Group Companies as necessary, conducted along with other various measures carried out by the SHD Compliance Department.

Violations

Directors, officers and employees who become aware of any actual or potential breach of this Code, are expected to report this breach and seek advice from their direct supervisor, the compliance department or a whistleblowing hotline established in their respective Group Company, or contact the Suntory Group Global Hotline. The confidentiality of a person reporting a breach will be protected to the utmost extent, and Suntory Group does not tolerate any retaliation against such person. Violation of this Code, depending on its nature and severity, may result in disciplinary actions based on the internal rules of each Group Company, which may include termination in certain circumstances.

Interpretation

If you have any inquiries concerning the interpretation or implementation of this Code, please direct them to the SHD Compliance Department.

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Risk Management

▼ Promoting Structure | ▼ Our Initiatives

The Suntory Group strives to understand and analyze the risks to the Group as a whole and take measures to resolve the issues so that we may continue our business operations and contribute to society.

Promoting Structure

In response to the expansion of global business of the Group, the Global Risk Management Committee (GRMC) was established in April 2015 in order to carry out risk management throughout the entire Group, including overseas Group companies. Under the GRMC, risk management committees and risk management teams have been established at each operating company (Risk Management Committee at Suntory Beverage & Foods Ltd., the Global Risk & Compliance Committee at Suntory Global Spirits, and the Risk Management Team at Suntory Spirits Ltd.). The objectives of these committees and teams are to identify our risks, execute countermeasures, engage in activities related to the establishment of crisis management systems, and fulfill responsibilities towards customers and other stakeholders,

▶ [For more information, see Corporate governance](#)

Our Initiatives

Enterprise Risk Management (ERM)

The risk surrounding companies is becoming more diverse and complex due to the globalization and informatization of the economy and growing public awareness of corporate social responsibility. Every year, the Suntory Group assess the materiality of important business risks, including environmental issues such as climate change and social issues such as human rights, and defines risks that may have a significant impact on our stakeholders, in order to take specific countermeasures against those risks. Monitoring is carried out by departments responsible for responding to risks and each risk management committee to reduce and eliminate risks by identifying the priority areas that we should address as an entire Group. Since 2016, we have been identifying and developing measures to counteract risks occurring in each group company. Additionally, we identify risks we are exposed to as a group. The results of risk assessment are reported to the Board of Directors.

Establishing Infrastructure for Crises Response

The risks companies face are becoming ever more complex, diverse and significant, and the enhancement of risk management is a necessity in management. Therefore it becomes especially important to establish Business Continuity Plan (BCP) based on the estimation of potential damage in case of crisis. The Suntory Group has built an infrastructure to respond to crises by establishing the Risk and Crisis First-Response Manual for each company in Japan and the Major Incident Management Manual for each overseas company. We aim to minimize impact and damage in case of disaster through timely sharing information and decision-making when a major crisis occurs to maintain the trust from society.

Building/Strengthening System Platforms of Group Companies in Japan

We continue to organize Risk Management Steering Conferences with the help of departments responsible for risk response at each Group company and Suntory Holdings Ltd. with the goal to build and strengthen the risk management system platforms of Group companies in Japan. We share challenges related to risks and assess the response measures carried out by each company through bilateral discussions.

Business Continuity Plan (BCP) Formulation and Implementation

In recent years there has been a string of unanticipated disasters, including both natural disasters such as major earthquakes, flooding caused by typhoons and torrential rainfall, landslides, heavy snow and volcano eruptions, and the spread of infectious diseases such as COVID-19 since early 2020, new influenza and noroviruses, which continually threaten both society and the economy. The Suntory Group has formulated a Business Continuity Plan (BCP) that will enable us to continue doing business as much as possible without interruption in the event of a disaster, to securely provide high quality products and services to customers, thus fulfilling our responsibilities to provide supplies.

The plan we have formulated goes beyond manufacturing at Suntory Group plants to include raw ingredient procurement and distribution as well as sales activities. We have taken steps to be able to decentralize our head office functions and infrastructure in an emergency and continue to strengthen our response structure to cope with contingencies.

Large-scale Natural Disaster Measures

Establishment of Safety Confirmation System and Emergency Drills

In preparation for natural disasters such as major earthquakes in Japan, we have in place a system that uses mobile phones, PCs, landlines, etc., to confirm the whereabouts and safety of employees.

We hold safety confirmation drills twice a year and work to raise awareness to ensure that the system operates smoothly. We conduct regular disaster prevention drills based on the scenario of a major earthquake and drills focusing on how to get home from work on foot. We also regularly disseminate information on disaster prevention and mitigation and conduct an annual e-learning program.



Disaster Countermeasures Headquarters Training

Disaster Response Systems

In the event of a large-scale disaster, we will provide a quick initial response by setting up a task force, mainly consist of the General Affairs Department of Suntory Holdings Limited and the Corporate Management Division of Suntory Beverage & Food Limited, to oversee the entire Suntory Group, and placing emergency response teams for each department under its control. The initial response of the task force will begin with confirming the safety of employees and their families and collecting and organizing information on damage from a disaster. The task force will also oversee the "restoration of office functions" "restoration of information systems," and the "arrangement of relief supplies," which will be carried out according to the action policies of each department, while also "restoring production operations" and "supporting customers and local communities." These systems and procedures are posted on the intranet so that employees can review them at any time. We have regularly reviewed our disaster response manuals, enhanced communication means and disaster supplies, and strengthened our disaster preparedness system, including that of our group companies. In addition, given the increasing number of people working from home, the task force has also a remote response system in place to ensure a prompt and appropriate initial response in the event of an emergency, in line with global circumstances.

Measures Against Infectious Diseases

Since the influenza pandemic in 2009, we have been taking measures to avoid the disruption of business operations by creating a manual on response process during a pandemic based on our Influenza Prevention Manual, disseminating information among employees, clarifying reporting system during pandemic, and strengthening measures to prevent the spread of infection. In addition, we created a course of action related to highly pathogenic diseases to handle all diseases (revised 2015). Furthermore, we have established a BCP that enables operations to continue even during a pandemic, highly-virulent influenza or other diseases.

New Coronavirus Countermeasures

We have established a New Coronavirus Task Force, which places the highest priority on employee safety, consolidates information on a disaster's impact on our supply chain and business performance, and quickly makes decisions and implements countermeasures. The system and environment that allows employees to work from home was in place before the coronavirus outbreak, enabling employees to work from home smoothly even during the pandemic. In 2021 and 2022, a total of 3 vaccinations will be conducted for employees, cooperating companies, and their families. Since the 7th wave in 2022, infection control measures have been gradually reviewed, and after the transition to Class 5 in May 2023, all corona-related measures and activity restrictions have been lifted.

Safety Management for Overseas Business Travel

As globalization continues to progress, safety management for overseas business travelers has become a major challenge. In 2013, Suntory Holdings Limited launched a system that allows the company to centrally keep track of all employees traveling from Japan to overseas countries on business. Furthermore, in 2017,

we introduced a group-wide infrastructure system that enables centralized management of overseas business trip arrangements, applications, and post-business trip reimbursement, to confirm the safety of employees on overseas business trips in a short period of time.

For Group companies in regions with high incidence of malaria, tuberculosis, HIV/AIDS, and other infectious diseases, we distribute handbooks and other materials to raise awareness of these diseases and provide opportunities for health consultations with industrial physicians to prevent infection among employees stationed in or visiting on business such places. In order to prevent the spread and transmission of the new coronavirus, overseas business trips that had been postponed have been resumed in compliance with the entry and return rules of each country.

Anti-bribery

We promote awareness and understanding by establishing guidelines for entertainment and gift-giving in-line with global standards. We have declared the basic approach of the Suntory Group for anti-bribery activities of directors and employees of the Suntory Group worldwide (Anti-Bribery Measures) in 2015 as our response to global enhancement of anti-corruption regulations, such as the Foreign Corrupt Practices Act (FCPA). Each initiative conducted by the Global Risk Management Committee is reported to the Board of Directors. We have formulated a global Anti-Bribery Policy in 2016, which includes new provisions on donations and political contributions in addition to entertainment and bribery. The Suntory Group's Code of Business Ethics is a set of rules which do not tolerate any improprieties or unfair practices. The Suntory Group actively works to raise awareness and conduct training related to global anti-bribery policies and guidelines for employees while regularly conducting monitoring. Moreover, we have put in place a global Compliance Hotline to create and utilize a system for receiving reports and carrying out consultations.

Employees are encouraged to immediately report any corruption cases or actions thought to be corruption.

Anti-Bribery Measures

1. Suntory Group, as a global group, is firmly committed to compliance with applicable anti-corruption laws and regulations around the world.
2. All Suntory employees worldwide are prohibited from giving or receiving bribes in any form, directly or indirectly, to anyone (public officials and private counterparties).
3. Suntory Group is committed to providing employees with clear guidelines such as Gifts, Entertainment and Hospitality.
4. Suntory Group is committed to maintaining accurate books and records and appropriate internal accounting controls systems, which shall be audited periodically by our independent auditors.
5. Suntory Group will communicate its compliance objectives, including how seriously it takes ethical conduct and compliance, to its employees, business partners, agents and other third parties.
6. Suntory Group will provide its employees comprehensive compliance and prevention of corruption training programs.
7. Suntory Holdings is committed to enhancing centralized monitoring processes worldwide.
8. Suntory Group wants and expects violations and concerns to be reported and will take action to investigate any complaints.
9. Suntory Group will provide employees with the resources to help them with compliance.

Risk Assessment for Corruption

The Suntory Group openly communicates about its due diligence processes and the nature of relationships with its business partners and builds efficient risk management system that includes due diligence of its business partners. If a given business area or a transaction appear to have high risk of corruption, we take decisive actions to mitigate the risk in this business area or a transaction.

Tightening Information Security

We are tightening information security systems in the entire Group to respond to information security risks, which are one of the most serious risks in operations. Global security policies were also formulated in an effort to enhance informational security at a global level.

Strengthening Information Security Systems

Suntory has established governance through preservation and systems for informational assets by defining the Suntory Group's Basic Principles for Governance of Information Security based on the growing needs of society that demand even stricter management of corporate information security.

We formulated the Suntory Group's Social Media Policy that stipulates the rules for using social media in Japan (including social networking service (SNS) such as Facebook, Twitter, Line, etc.) to respond to the risk of information leaks. We are reinforcing the awareness of each and every employee in the handling of information while advancing the information management of the entire Group based on these policies.

Suntory Group Information Security Basic Policy

Our information assets are a source of the Suntory Group's competitiveness. During our strategic usage and application of such assets, we must be worthy of our customers' trust in us and fulfill our corporate social responsibility. Thusly, we have identified the appropriate safeguarding of information assets as being an important management challenge, and have instituted the following basic policy, which promotes information security governance.

- By maintaining a chain of responsibility for information security and by formulating and enforcing rules on the handling of information, we will strive for appropriate management as one group.
- By specifying how the information assets that we possess should be handled in accordance with their importance and any risks, we will strive for their secure and proper use and their appropriate safeguarding.
- We will conduct the ongoing education and training of our directors, all employees, and other personnel, and we will commit to awareness-raising regarding this issue and ensure full compliance with rules related to information security.
- We will strive to prevent information security incidents, and in the unlikely event that such an incident occurs, we will swiftly take action to recover and implement corrective measures.
- While complying with laws and regulations in every country we operate in related to information assets, we will continuously improve and enhance the abovementioned information security policies.

[▶ The Suntory Group's Social Media Policy](#) 

Strengthening of Human Resource and Legal Management

We have established rules and regulations for the correct use of information systems and the management of confidential information, and we are raising awareness of that information via our intranet. Moreover, we are raising Group awareness to the fullest at each Group company in Japan through the following measure:

- Improve information management systems that are based on vulnerability analysis
- Introduce e-learning and study sessions to increase awareness of the importance of information security and the handling of information
- Establish rules related to using social media and introduce study sessions for employees
- Conduct training related to targeted email attacks that are growing year after year
- Work with members under the guidance of risk management control supervisors and leaders at each company to improve IT literacy

In 2016, Suntory put in place the Computer Security Incident Response Time (CSIRT) as a specialized organization to response to computer security incidents in an effort to prevent informational security incidents and strengthen its response in times of disasters as a Group.

Strengthening of Physical and Technological Management

Suntory has adopted an entry-exit management system that uses security cards at the Odaiba office, Osaka office and each of our other business sites.

We are also strengthening the management of access to information systems throughout the Group via authentication functions that use security cards and passwords.

In addition, to prevent information leak, we put in place preventative measures for overwriting data on information recording mediums and established systems (automated encryption) to safely store vital information (personal/confidential information). We adopted other measures that include measures to disable automatic forwarding of emails, unauthorized access from outside the company as well as setup and monitoring of a firewall to prevent attacks.

Initiatives for Minimizing Social Media Risks

Individuals can now easily distribute information with the rise in popularity of social media. However, we see the instances when negative information spreads widely through social media and damages corporate value.

The Suntory Group is conducting activities to make employees more sensitive to social media risks (awareness raising through e-learning, group seminars and promoting use of various education tool, etc.) by formulating various standards and guidelines for use of social media, discovering risks as early as possible, and launching response systems to lessen the social media risks.



social media risk seminar framework

Support of the My Number System

We have put in place measures to properly manage personal information safely at each Group company as deemed necessary for identifiable personal information (My Number System) introduced in Japan in 2016. We have confirmed that our subcontractors have put these measures in place as well.

Protecting Customers' Personal Information

Each company in Suntory Group stores personal information of many customers such as of those that applied for sales promotion campaigns and customers using mail-order of health and wellness foods, etc. The Suntory Group works to protect personal information of the entire Group according to the Act on the Protection of Personal Information and Guidelines to protect important customer information.

Employee Education on Personal Information Protection

We hold e-learning and study sessions for all of the employees in the Group to disseminate the importance of personal information protection. We conducted more focused information security education in departments that directly handle personal information.

Sales Promotion Campaign History Management System

All processes from acquiring information to deleting records are managed through Campaign History Management System upon signing non-disclosure agreement with subcontractor for sales promotion campaigns that collect customers' address, name and other personal information. In addition, personal information that requires being stored is centrally managed in dedicated database in-house to protect customers' information.

Information Management of Mail-order Customers

Information of mail-order customers at Suntory Wellness Ltd. are centrally managed in a dedicated closed system at communication management center in which access is strictly managed using the Finger Vein Recognition system.



Finger Vein Recognition system

Initiative on Intellectual Property Rights

The importance of intellectual property is increasing year after year along with the rising social awareness on intellectual property rights and recent movement on Government's measures and programs for the same. The Suntory Group has established the Intellectual Property Department mainly focusing on patents as well as the Trademark Department focusing on trademarks and our corporate brand "SUNTORY," as divisions supervising our intellectual property rights of the Suntory Group.

Utilization of Intellectual Property



Suntory acquires and utilizes the outcome of research & development and design activities in connection with our product, service and technology as intellectual property and promotes our corporate activities to continuously provide highly value-added products unique to the Suntory Group, which is symbolized by our "Yatte Minahare" spirit. In addition, based on our founders' spirit "Giving back to society," we proactively utilize such intellectual property in our sustainability activities and collaborative activities with various stakeholders for cohabitating in our society and solving social problems. Throughout such utilization of intellectual property, we strive to maximize the brand value of "SUNTORY" as well as our product and service. We implement an incentive scheme based on Invention Regulation in the Group to promote and utilize employee inventions.

Respecting Intellectual Property of Others

While utilizing intellectual properties, we collect information upon working closely with the site of research & development, designing and marketing activities in order not to infringe intellectual property owned by others. For example, upon adopting new technology, we survey whether or not there is a patent owned by others in connection with such new technology. Furthermore, when adopting a new product name, we conduct whether or not it is registered as a trademark owned by others. We sometimes collaborate with the experts to judge whether our use of new technology and names are legally correct and appropriate.

Tax Policy

The Suntory Group has established the following tax policy based on the concepts of the Suntory Group Code of Business Ethics.

- ▶ [Global Tax Policy and supplementary note](#) 
- ▶ [Supplementary Documentation for UK](#) 

Below is the summary of Global Tax Policy.

Operate effective tax governance to meet our compliance obligations:

We ensure tax compliance through regular reviews by the CFO of compliance with our global tax policy, clear reporting line at a global level, and the effective use of external professional advisors.

Create synergies by maximizing returns, whilst paying the right amount of tax:

We, as a good corporate citizen, will pay what we determine in good faith to be the correct amount of tax in a tax efficient manner. To create sustainable businesses, we will consider the most tax efficient way, however, we will give the highest priority to business reasons and will not enter into any aggressive tax planning arrangements which we determine have the sole purpose of achieving a tax advantage.

Pursue long term interests of society and our stakeholders:

We will maintain an open and transparent relationship with tax authorities in the jurisdictions in which we operate. Specifically, we will discuss with tax authorities in a timely and appropriate manner, we maintain full and timely disclosure of necessary information as required by law or queries from tax authorities, and if any disputes arise, we strive to achieve early agreement and resolution with tax authorities.

Ensure the business is provided with timely support on tax issues:

We form active links between the tax teams and the business divisions in order to achieve our commercial objectives. Specifically, our tax teams provide the business divisions with sufficient tax awareness to support them in making optimized business decisions.

Income Taxes Paid

(Billion Yen)

	Japan	Overseas	Total
2021	16.5	37.6	54.1
2022	19.3	40.2	59.5

* The above amounts are based on "Country-by-Country Report" submitted to Japanese Tax Authorities, and not directly related to the Consolidated Financial Statements.

Others

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Evaluation from External Parties

2024 > 2023 > 2022 > 2021

2024

Jun. 2024

Suntory Beverage & Food Limited selected as a Constituent of FTSE4Good Index Series, a global ESG investment index

Suntory Beverage & Food Limited has been selected as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index, the ESG investment index.

April 2024

Suntory Holdings Recognized as an Eco-First Company by the Ministry of the Environment

Suntory Holdings Limited has been certified as an "Eco-First Company" under the Ministry of the Environment's Eco-First Program.



Mar. 2024

Suntory Group Companies Recognized as White 500 Enterprises of the 2024 Certified KENKO Investment for Health Outstanding Organizations Recognition Program

Suntory Holdings Limited, Suntory Beverage & Food Limited, and nine other Group companies* have been certified as White 500 enterprises of the 2024 Certified KENKO Investment for Health Outstanding Organizations Recognition Program by the Ministry of Economy, Trade and Industry and the Japan Health Council.

* Suntory Holdings Ltd., Suntory Spirits Ltd., Suntory Beverage & Food Ltd., Suntory Foods Ltd., Suntory Products Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd., Suntory System Technology Ltd., and Suntory Business Systems Ltd.



Feb. 2024

Suntory Natural Water Sanctuary Akagi becomes first national forest to receive OECM certification

Suntory Natural Water Sanctuary Akagi has achieved OECM* certification in line with Ministry of the Environment “30by30” goals, which aim to halt and reverse biodiversity loss in Japan by 2030.

* We conduct maintenance activities for forests owned by the national government, local governments, and the private sector under agreements with them.

* OECM is an acronym for “Other Effective area-based Conservation Measures.” OECM is an area conserved by initiatives of private organizations or one where conservation is achieved mainly as a by-product of other management.



Feb. 2024

Suntory Holdings Named on CDP A List for Both Climate Change and Water Security

Suntory Holdings Limited achieved the prestigious A List for Climate Change and Water Security based on the company's sustainability reporting in 2023, by CDP, a non-profit organization that runs global disclosure system on sustainability.



Initiatives and Industry Alliances

United Nations Global Compact

The Suntory Group supports international standards such as the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights, and is a signatory to the UN Global Compact, which contains universal principles for human rights, labor, and the environment advocated by the United Nations.



The CEO Water Mandate

The Suntory Group is a signatory to The CEO Water Mandate, a United Nations Global Compact initiative and global platform to address water resource issues and support the prevalence, practice, and informational disclosure of water sustainability at companies.



The CEO [Water Mandate](#)

Alliance for Water Stewardship (AWS)

In February 2021, the Suntory Group signed a partnership agreement with the Alliance for Water Stewardship, an international organization leading the global movement for water sustainability. AWS certification is designed to promote water conservation and stewardship at factories worldwide. As the first corporation in the country to become a member of the organization (originally signed with AWS Asia Pacific), we are taking a leadership role in promoting water sustainability in Japan.



Science Based Targets (SBT) Initiative

The SBT initiative encourages companies to set greenhouse gas (GHG) emissions reduction targets based on scientific evidence, and conducts audits and certification. The GHG emissions reduction targets under the Suntory Group's Environmental Targets toward 2030 have been approved by the SBT initiative, which independently assesses companies' targets, as consistent with reductions required to keep global warming to 1.5°C.

The Suntory Group is also a signatory to the "Business Ambition for 1.5°C" campaign led by the SBT initiative^{*1} in partnership with the UN Global Compact and the We Mean Business^{*2} coalition to hold global temperature increases to 1.5°C above pre-industrial levels.

*1 The SBTi is an international initiative jointly established by the United Nations Global Compact (UNGC), CDP (a coalition of institutional investors that promotes disclosure of information on climate change measures), World Resources Institute (WRI), and World Wide Fund for Nature (WWF). It drives ambitious climate action in the private sector by enabling companies to set science-based emissions reduction targets.

*2 The We Mean Business coalition is a global nonprofit led by international organizations, think tanks, NGOs, and other constituent organizations to build a platform for businesses and investors to take action on climate change.



Task Force on Climate-related Financial Disclosures (TCFD)

The Suntory Group has declared its endorsement of the TCFD recommendations established by the Financial Stability Board (FSB).



[For more information, see Disclosures Based on TCFD Recommendations.](#)

Taskforce on Nature-related Financial Disclosures (TNFD) Forum

The Suntory Group joined the Taskforce on Nature-related Financial Disclosures (TNFD) Forum in April 2022 to accelerate initiatives that contribute to nature-positive outcomes. Endorsing to the TNFD Recommendation, we have registered as a "TNFD Adopter^{*1}".



*1 Organizations (report preparers) who intend to start making disclosures aligned with the TNFD Recommendations in their corporate reporting.

[For more information, see Disclosures Based on TNFD Recommendations](#)

30by30 Alliance for Biodiversity

In April 2022, the Suntory Group joined the 30by30 Alliance for Biodiversity, which aims to halt and reverse biodiversity loss to realize a sustainable society.



Official Partnership for National Parks

The Suntory Group has entered into an Official Partnership for National Parks with the Ministry of the Environment. This program aims to promote the wonders of Japan's national parks to the world and attract more visitors both from Japan and overseas. It is designed to deepen people's understanding of conserving the natural environment and revitalize the areas where the national parks are located.



SAI Platform

In July 2022, the Suntory Group joined the Sustainable Agriculture Initiative Platform (SAI Platform), a global not-for-profit organization advancing sustainable agricultural practices which was founded in 2002.



Japan Clean Ocean Material Alliance (CLOMA)

The Suntory Group has been a member of CLOMA since its foundation. It is a public-private alliance established in response to a call from the Ministry of Economy, Trade and Industry (METI). The alliance aims to build an efficient recycling system that meets the needs of each country by developing and promoting the use of plastic substitute materials and by offering information and technical consulting to other countries.



Global Plastic Action Partnership (GPAP)

In November 2019, the Suntory Group joined the Global Plastic Action Partnership, a global alliance working to solve environmental issues caused by plastics.



Plastic Circular Challenge 2025

In February 2022, the Suntory Group joined Plastic Circular Challenge 2025, a Japanese domestic framework that aims to solve various issues related to plastics to achieve a sustainable circular economy.

International Alliance for Responsible Drinking (IARD)

As Suntory Global Spirits, the Suntory Group has been a member of IARD since the alliance's establishment and has also been deeply involved in the formulation of the Industry Commitment for Reducing Harmful Use of Alcohol, an effort by the alcoholic beverage industry in response to the WHO's Global Strategy to Reduce Harmful Use of Alcohol (adopted in 2010).

IARD

The Suntory Group is a member of IARD, a non-profit organization headquartered in Washington, D.C. that includes 13 of the world's leading alcoholic beverage companies. The alliance promotes international efforts to promote appropriate alcohol consumption. As Suntory Global Spirits, Suntory has been a member of IARD since the alliance's establishment and has also been deeply involved in the formulation of the Industry Commitment for Reducing Harmful Use of Alcohol, an effort by the alcoholic beverage industry in response to the World Health Organization (WHO)'s Global Strategy to Reduce Harmful Use of Alcohol (adopted in 2010).

The Valuable 500

The Suntory Group has joined the Valuable 500, a global initiative promoting disability inclusion. The initiative was launched in January 2019 at the World Economic Forum Annual Meeting in Davos. Its aim is to encourage business leaders to carry out reforms to realize the potential value that disabled people can bring to business, society, and the economy.



Environment-Related Committees of Liquor and Beverage Industry Associations (Japan)

Japan Soft Drink Association (Environment Committee, Vending Machine Committee, etc.)

<https://www.j-sda.or.jp/> (in Japanese)

Brewers Association of Japan (Environmental Committee, Container Environment Committee)

<https://www.brewers.or.jp/english/index.html>

Japan Spirits & Liqueurs Makers Association (Environmental Issues Committee)

<http://www.yoshu.or.jp/> (in Japanese)

Recycling Industry Organizations (Japan)

The Japan Containers and Packaging Recycling Association

<https://www.jcpra.or.jp/english/tabid/603/index.php>

The Beverage Industry Environment Beautification Association (BIEBA)

<https://kankyobika.or.jp/english>

Glass Bottle 3R Promotion Association

<http://www.glass-recycle-as.gr.jp/> (in Japanese)

The Council for PET Bottle Recycling

<https://www.petbottle-rec.gr.jp/english/>

Japan Aluminum Can Recycling Association

<http://www.alumi-can.or.jp/> (in Japanese)

Policies

The following is a list of Suntory Group's policies and guidelines. Please refer to ESG section in this website for relevant initiatives.

- [Suntory Group's Corporate Philosophy](#)
- [Suntory Group Code of Business Ethics](#)
- [Basic Concepts and Operations for the Internal Control System](#)
- [Anti-Bribery Measures](#)
- [Global Tax Policy and supplementary note](#)
- [Supplementary Documentation for UK](#) 
- [Suntory Group Sustainability Vision](#)
- [Suntory Group's Environmental Principles](#)
- [Suntory Group's Sustainable Water Philosophy](#)
- [Environmental Vision toward 2050 and Environmental Targets toward 2030](#)
- [Suntory Group Plastic Policy](#)
- Suntory Group Human Rights Policy**
 - [Suntory Group Human Rights Policy \(English\)](#) 
 - [Suntory Group Human Rights Policy \(Simplified Chinese\)](#) 
 - [Suntory Group Human Rights Policy \(Indonesian\)](#) 
 - [Suntory Group Human Rights Policy \(Vietnamese\)](#) 
 - [Suntory Group Human Rights Policy \(Japanese\)](#) 
 - [Suntory Group Human Rights Policy \(Traditional Chinese\)](#) 
 - [Suntory Group Human Rights Policy \(Spanish\)](#) 
 - [Suntory Group Human Rights Policy \(French\)](#) 
 - [Suntory Group Human Rights Policy \(Thai\)](#) 
- [Suntory Group's Basic Policy on Supply Chain Sustainability](#)
- [Suntory Group Supplier Guidelines](#)
- [Suntory Group Green Procurement Standard](#)
- [DEI Vision Statement / Strategic Pillars](#)
- [Employee Value Proposition - Unleash Your Spirit](#)

[> Suntory Leadership Spirit](#)

[> Health Management Declaration](#)

[> Voluntary Declaration toward Consumer Orientation](#)

[> Basic Policy on Customer Satisfaction and Course of Action](#)

[> Suntory Quality Policy of "All for the Quality"](#)

[> Health Policy](#)

[> Responsible Consumption - Suntory Group's Principle and Course of Action](#)

[> Suntory Group Basic Policy on Social Activities](#)

[> Suntory Group Information Security Basic Policy](#)

[> Suntory Group's Social Media Policy \(Japanese\) !\[\]\(6059a5aa8b4ca7bb793408023d6c6e42_img.jpg\)](#)

Editorial Policy on Sustainability Information

- ▶ Editorial Policy on Sustainability Information
- ▶ Stakeholder Capitalism Metrics Content Index
- ▶ GRI Standards Content Index
- ▶ SASB Reference Table

Suntory Group is communicating its Sustainability initiatives in various forms through booklet, website, etc.

Suntory Group's Sustainability Website 2024

This website provides comprehensive information about important activities to realize our Purpose "To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature" and initiatives unique to Suntory.

Information such as sustainability-related data, unique Group company initiatives and dialogue with society are available. Please browse through the information based on your needs.

Scope of Subjects Covered

Organizations

270 Group companies in Japan and overseas, including Suntory Holdings Ltd.

- Environmental data covers 27 production plants in Japan and 62 production plants overseas owned by companies that collectively account for more than 90% of Suntory Group's sales
- For personnel data, describe the scope of data individually.

Time Frame

- The data covers performance from January 1 to December 31, 2023. The activities covered include some of the most up-to-date events.

Guidelines Referenced

- GRI (Global Reporting Initiative), "Sustainability Reporting Standard"
- SASB (Sustainability Accounting Standards Board), "SASB Standard"
- Environmental Reporting Guidelines, Ministry of the Environment, Japan
- Common Metrics and Consistent Reporting of Sustainable Value Creation

Published

July 2024

Performance Data

- **Environmental Data** 245
- **Social Data** 254

Performance Data

- Key Financial Data
- Environmental Data
- Social Data

Suntory Group has brought together its performance for the main indicators (management, environment, and society) on our sustainability site and other media. Actual results marked with ★ have received independent assurance by KPMG AZSA Sustainability Co., Ltd. in accordance with International Standard on Assurance Engagement (ISAE) 3000 and ISAE 3410.

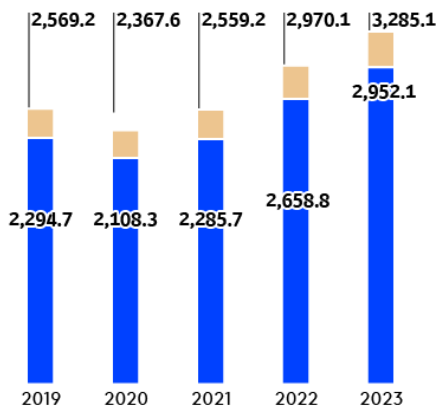
[Independent assurance report](#) 

Key Financial Data

Consolidated financial Results

Consolidated Revenue

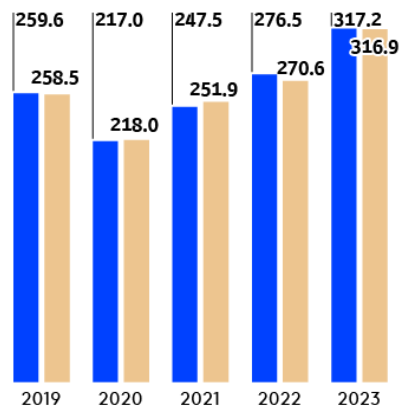
(Billion yen)



- Consolidated Revenue (including excise taxes)
- Consolidated Revenue (excluding excise taxes)

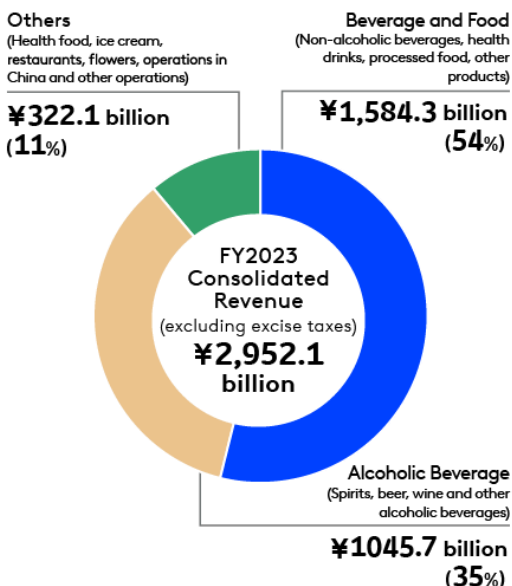
Consolidated Operating Income

(Billion yen)

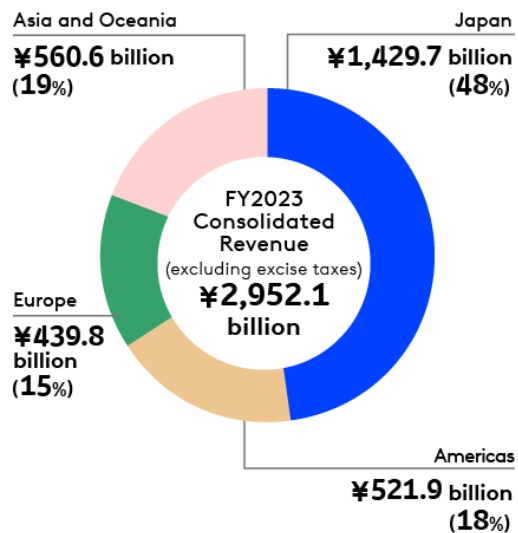


- Operating Income
- Adjusted Operating Income

Sales by Business Segment



Sales by Area



Economic contribution*

		2023 (Billions of yen)
Economic contribution	Revenues	2,952.1
	Operating costs	1,018.7
	Employee wages and benefits	453.6
	Payments to providers of capital	70.8
	Payments to government	83.3
	Community investment	7.3
	Financial assistance from government	-
Financial investment contribution	Capex - depreciation	66.4
	Share buybacks plus dividend payments	44.2
Total R&D expenses		29.8
Total global tax		83.3

* Disclose based on the core metrics of Measuring Stakeholder Capitalism-Toward Common Metrics and Consistent Reporting of Sustainable Value Creation, as recommended by the World Economic Forum's International Business Council.

Environmental Data

Targets and Progress <Water>

2030	2023
<p>Reduction of water used in direct operation Reduce the water intensity of production at our owned plants¹ by 35%² globally. In addition, explore reduction of absolute amount of water withdrawn in highly water stressed areas</p>	Reduced the water intensity of production by 28% compared to 2015.
<p>Water replenishment Replenish more than 100% of water used in at least 50% of our owned plants¹ globally, including all those in highly water stressed areas, through local water source conservation efforts.</p>	Water resource cultivation activities implemented in 41% of all owned plants globally. For the plants located in highly water stressed areas, activities are implemented in 37% of those areas.
<p>Sustainable water use in raw ingredients Collaborate with suppliers to improve water-use efficiency in the production of water-intensive key ingredients³ in highly water stressed areas.</p>	<ul style="list-style-type: none"> As an initiative on barley production through regenerative agriculture, we began working with our malt suppliers to verify the improvement of water use efficiency by improving soil water retention. Started building a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.
<p>Water education and access to safe water Expand water education programs and initiatives to provide safe water access for more than 1 million people.</p>	Total 1,070,000 people Water education program: 710,000 people Provision of safe water: 360,000 people

*1 Suntory Group plants that manufactures finished products

*2 Reduction per unit production based on the business fields in 2015

*3 Coffee, barley, grapes

Water Stewardship

	Unit	2015 (base year)	2021	2022	2023
Total water withdrawal	thousand m ³	—	39,419	39,576	38,775★
Water intensity	m ³ /kl	4.53	3.58	3.30	3.26
Total water discharge	thousand m ³	—	24,019	24,092	24,496★
Total water consumption	thousand m ³	—	15,400	15,484	14,279

* 2015 (base year): Data covers 25 production plants in Japan and 59 production plants overseas

* 2023 : Data covers 27 production plants in Japan and 62 production plants overseas

* Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured numerical values are indicated with ★.

Water Withdrawal from Areas

Area	Water withdrawal (thousand m ³)			
	2015 (base year)	2021	2022	2023
Japan	21,816	20,461	21,230	21,713
Americas	8,132	6,253	4,919	4,361
Europe	6,473	5,985	6,270	5,810
Asia	4,492	6,212	6,761	6,469
Oceania	562	424	397	422
Africa	216	84	-	-
Total	41,692	39,419	39,576	38,775★

* 2015 (base year): Data covers 25 production plants in Japan and 59 production plants overseas

* 2023 : Data covers 27 production plants in Japan and 62 production plants overseas

* Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured numerical values are indicated with ★.

Amount of Water withdrawal by Source

Intake source	Amount of water (thousand m ³)		
	2021	2022	2023
Groundwater	17,530	17,520	17,530★
Rivers/lakes	5,565	3,986	3,382★

Rain water	0	0	2★
City water	16,725	18,070	17,861★
Water supplied from external sources (recycled water)	0	0	0★
Total	39,419	39,576	38,775★

*Data covers 27 production plants in Japan and 62 production plants overseas

*Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured numerical values are indicated with ★.

Water Discharge

Destination	Water Discharge (thousand m ³)		
	2021	2022	2023
Rivers/lakes	14,204	14,283	14,874★
Sea	1,088	1,086	1,471★
Sewers	8,614	8,599	7,989★
Others (for watering plants, etc.)	113	124	162★
Total	24,019	24,092	24,496★

*Data covers 27 production plants in Japan and 62 production plants overseas

*Increases and decreases from previous year

- In 2023, discharge destination changed from "Sewer" to "Rivers/lakes" at some sites.
- In 2023, Wastewater discharged to "Sea" has increased due to cooling water discharged at some sites.

*Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured numerical values are indicated with ★.

Number of Participants in the Suntory Mizuiku and Other Water Education Program

Area	2021	2022	2023
Japan	22,100	24,600	35,000
Vietnam	44,700	61,100	57,800
Thailand	6,600	3,700	5,900
France	400	300	700
China	4,000	18,700	26,700
Spain	–	400	1,200
United Kingdom	–	–	600
New Zealand	–	–	5,500

* The number of participants includes children, parents, teachers, and expert instructors.

Targets and Progress <GHG>

2030	2023
Reduce GHG emissions from our direct operations by 50%* ¹	24% reduction compared to 2019
Reduce GHG emissions across our entire value chain by 30%* ¹	7.8% reduction compared to 2019

*1 Based on emissions in 2019.

Scope 1 and 2 Emissions

Area	Scope	GHG emissions (Scope1 : thousand tons CO ₂ e, Scope2 : thousand tons CO ₂)			
		2019 (base year)	2021	2022	2023
Japan	Scope 1	250	246	233	215
	Scope 2	183	172	58	37
	Scope 1+2	433	418	292	253
Americas	Scope 1	162	179	209	194
	Scope 2	63	13	10	0
	Scope 1+2	225	192	220	194
Europe	Scope 1	108	107	91	100
	Scope 2	17	1	0	0
	Scope 1+2	125	108	91	100
Asia	Scope 1	51	50	55	47
	Scope 2	153	155	179	170
	Scope 1+2	204	206	234	217
Oceania	Scope 1	11	9	6	8
	Scope 2	7	4	1	1
	Scope 1+2	19	13	7	9
Africa	Scope 1	7	8	-	-
	Scope 2	1	0	-	-
	Scope 1+2	8	8	-	-
Total	Scope 1	590	599	594	564

	Scope 2	424	345	248	208
	Scope 1+2	1,014	944	843	772

* Data covers GHG emissions for the entire Suntory Group are calculated.

Out of 772 thousand t-CO₂e in the table above, Scopes 1 and 2 emissions of 721 thousand t-CO₂e★ (Scope 1: 515 thousand t-CO₂e★, Scope 2: 206 thousand t-CO₂e★) have been externally assured, which do not include emissions of GHG other than CO₂ at overseas production plants and CO₂ emissions at non-production sites outside of Japan. The reporting boundary for the figures externally assured is as follows:

27 production plants in Japan, 62 production plants overseas, and non-production sites in Japan (offices such as main office, training sites, R&D facilities, sales sites, restaurants and development sites)

* Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured numerical values are indicated with ★.

* Emission factors for GHG calculation are as follows:

Fuel:

For Japan: Factors specified by the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures.(using values before revision of the Ministerial Ordinance on Calculation)

For overseas: Factors obtained from fuel suppliers or factors specified by the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures.(using values before revision of the Ministerial Ordinance on Calculation)

GHG from Electricity consumption:

For Japan: The adjusted emission factors for each electric power company specified by the Act on Promotion of Global Warming Countermeasures.

For overseas: Factors obtained from individual power suppliers or IEA emission factors by country.

GHG other than CO₂:

For 27 plants in Japan: Factors specified by the Act on Promotion of Global Warming Countermeasures

* The total may not match the sum of each figure due to rounding.

Energy Consumption

	2021	2022	2023
Energy Consumption(MWh)	4,019,785	4,173,252	4,122,342
Renewable Energy Consumption(MWh)	416,234	787,831	950,977
Energy Intensity(MWh/KL)	0.37	0.35	0.35
Electricity Consumption (MWh)	—	—	1,194,505

* Figures for renewable energy consumption and electricity consumption have been certified by a third party for results excluding non-production sites outside Japan.

Renewable energy consumption: 949,169 MWh★, Electricity consumption: 1,188,671 MWh★

The reporting boundary for the figures externally assured is as follows:

27 production plants in Japan, 62 production plants overseas, and non-production sites in Japan (offices such as main office, training sites, R&D facilities, sales sites, restaurants and development sites)

* Third-party certification by KPMG AZSA Sustainability Co., Ltd. Third-party certified figures indicated with ★.

* Electricity consumption includes in-house generation.

Scope 3 Emissions

Suntory Group (Results for 2023)

Category	Emissions (thousand tons CO ₂ e)	Calculation Method
1. Purchased goods and services	4,490★	[Raw Materials and Packages] Calculated by multiplying the weight of raw materials and packaging materials purchased and used for products manufactured and sold by Suntory Group (in Japan and overseas) by the emission factors. 46% of Category 1 GHG emissions are calculated using emission factors

		calculated from the GHG emissions of suppliers of raw materials and packaging materials. For 2023, we changed the source of emission factors for packaging materials in Asia and Oceania from the prevailing Defra to IDEA Ver. 3.3. [Contract manufacturers] Calculated by multiplying the volume of the products that Suntory Group (in Japan), Suntory Global Spirits, Suntory Beverage & Food Europe, and Suntory Beverage & Food Oceania have outsourced to contract manufacturers by the emission factors.
2. Capital Goods	376★	Calculated by multiplying the amount of capital expenditure excluding land expenditure of Suntory Group by emission factors.
3. Fuel and energy-related activities not included in Scope 1 or 2	148	Calculated by multiplying the amount of energy consumed by Suntory Group by emission factors related to the collection, production, and transportation of applicable energy resources.
4. Upstream transportation and distribution	394	Calculated by multiplying the transportation volume in tons-km of goods owned by Suntory Group by emission factors.
5. Waste generated in operations	11	Calculated by multiplying the weight of waste disposed by Suntory Group by emission factors.
6. Business travel	35	Calculated by multiplying the amount of business travel expenses of Suntory Group by emission factors.
7. Employee commuting	41	Calculated by multiplying the amount of commuting expenses of Suntory Group by emission factors.
8. Upstream leased assets	29	Calculated by multiplying the storage volume as well as the floor area of distribution centers rented by Suntory Group by emission factors.
9. Downstream transportation and distribution	289	Calculated by multiplying the transportation volume in tons-km of Suntory Group by emission factors.
10. Processing of sold products	—	None
11. Use of sold products	104	Calculated by multiplying the sales volume of goods of Suntory Group by emission factors.
12. End-of-life treatment of sold products	518★	Calculated by multiplying the weight of packaging materials purchased and used by Suntory Group by emission factors related to disposal/recycling transport and processing.
13. Downstream leased assets	343★	Calculated by multiplying the electricity used by leased assets of Suntory Group (In Japan) by emission factors.
14. Franchises	16	Calculated as Scopes 1 and 2 CO ₂ emissions from the direct operations of companies and stores franchised by Suntory group.
15. Investments	—	None
Total	6,794	

* Suntory Group's beverage and food, alcoholic beverages, and health food businesses in Japan and overseas are included in the scope. For some overseas group companies, emissions were estimated by using Japan-based emission factors or production volume in Japan.

* Emission factors used to calculate emissions for Japan include the following:

- a) "Emission factor database for corporate GHG emissions accounting over the supply chain (Version 3.3)"
- b) "LCI Database IDEA Version 3.3" (Advanced LCA Research Group, The National Institute of Advanced Industrial Science and Technology and Sustainable Management Promotion Organization)

* Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured value is indicated with ★.

Suntory Beverage & Food Ltd. (Results for 2023)

Category	Emissions (thousand tons CO ₂ e)	Calculation Method
1. Purchased goods and services	3,251★	[Raw Materials and Packages] Calculated by multiplying the weight of raw materials and packaging materials purchased and used for products manufactured and sold by the Suntory Beverage & Food Group (in Japan and overseas) by the emission factors. 41% of Category 1 GHG emissions are calculated using emission factors calculated from the GHG emissions of suppliers of raw materials and packaging materials. For 2023, we changed the source of emission factors for packaging materials in Asia and Oceania from the prevailing Defra to IDEA Ver. 3.3. [Contract manufacturers] Calculated by multiplying the volume of the products that Suntory Beverage & Food Group (in Japan), Suntory Beverage & Food Europe, and Suntory Beverage & Food Oceania have outsourced to contract manufacturers by the emission factors.
2. Capital Goods	172★	Calculated by multiplying the amount of capital expenditure excluding land expenditure of Suntory Beverage & Food Group by emission factors.
3. Fuel and energy-related activities not included in Scope 1 or 2	85	Calculated by multiplying the amount of energy consumed by Suntory Beverage & Food Group by corresponding emission factors related to the collection, production, and transportation of applicable energy resources.
4. Upstream transportation and distribution	221	Calculated by multiplying the transportation volume in tons-km of goods owned by Suntory Beverage & Food Group by corresponding emission factors.
5. Waste generated in operations	6	Calculated by multiplying the weight of waste disposed by Suntory Beverage & Food Group by corresponding emission factors.
6. Business travel	10	Calculated by multiplying the amount of business travel expenses of Suntory Beverage & Food Group by corresponding emission factors.
7. Employee commuting	25	Calculated by multiplying the amount of commuting expenses of Suntory Beverage & Food Group by corresponding emission factors.
8. Upstream leased assets	23	Calculated by multiplying the storage volume as well as the floor area of distribution centers rented by Suntory Beverage & Food Group by emission factors.
9. Downstream transportation and distribution	233	Calculated by multiplying the transportation volume in tons-km and sales volume of goods of Suntory Beverage & Food Group by corresponding emission factors.
10. Processing of sold products	—	None
11. Use of sold products	89	Calculated by multiplying the sales volume of goods of Suntory Beverage & Food Group by corresponding emission factors.
12. End-of-life treatment of sold products	405★	Calculated by multiplying the weight of packaging materials purchased and used by the Suntory Beverage & Food Group by emission factors related to disposal/recycling transport and processing.
13. Downstream leased assets	313★	Calculated by multiplying the electricity used by leased assets of Suntory Beverage & Food Group (In Japan) by emission factors.
14. Franchises	9	Calculated as Scopes 1 and 2 CO ₂ emissions from the direct operations of companies and stores franchised by the Suntory Beverage & Food Group.
15. Investments	—	None

Total	4,843
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* The Suntory Beverage & Food Group's beverage and food businesses in Japan and overseas are included in the scope. For some overseas group companies, emissions were estimated by using Japan-based emission factors or production volume in Japan.

* Emission factors used to calculate emissions for Japan include the following:

- a) "Emission factor database for corporate GHG emissions accounting over the supply chain (Version 3.3)"
- b) "LCI Database IDEA Version 3.3" (Advanced LCA Research Group, The National Institute of Advanced Industrial Science and Technology and Sustainable Management Promotion Organization)

* Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured value is indicated with ★.

SOx emissions

	2021	2022	2023
Emissions (t)	3.4	2.1	2.4
Per Unit (g/kL)	0.7	0.4	0.5

*27 production plants in Japan

NOx emissions

	2021	2022	2023
Emissions (t)	141.8	108.1	114.0
Per Unit (g/kL)	29.8	21.1	21.8

*27 production plants in Japan

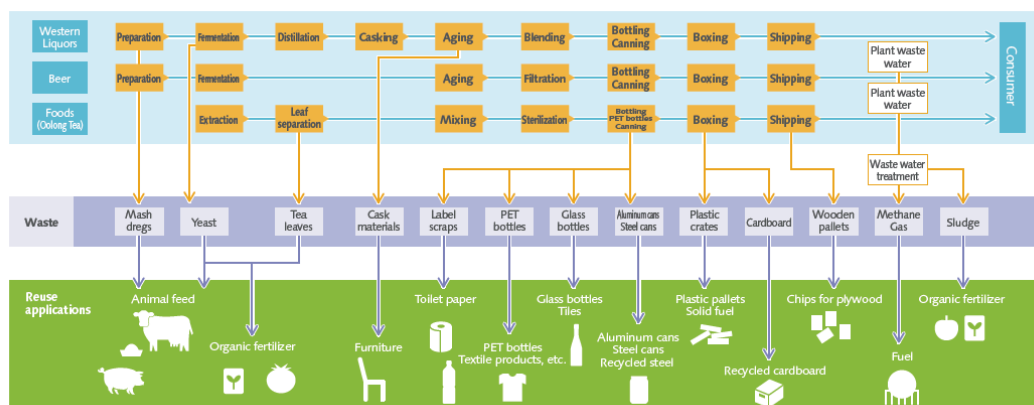
By-products and Waste Generation Performance

Area	Amount of discharge (thousand tons)		
	2021	2022	2023
Japan	218	230	271
Americas	410	541	427
Europe	119	144	166
Asia	30	54	32
Oceania	7	6	3
Africa	0	-	-
Total	783	975	900

* Data covers 27 production plants in Japan and 62 production plants overseas

Recycling Rate of Japanese Plants and Flow for reuse of by-products and waste generated in each production process

	2021	2022	2023
Amount of discharge (thousand ton)	218	230	271
Amount recycled (thousand ton)	217	230	271
recycling rate (%)	99.7	100.0	99.9



By-products and Waste generation, recycling rate and the purpose of use for recycled products

Type of waste	Main Purpose of Use	2021		2022		2023	
		Generation (t)	Recycling Rate (%)	Generation (t)	Recycling Rate (%)	Generation (t)	Recycling Rate (%)
Vegetable (glycation, tea, coffee dregs, etc.)	- Animal feed - Fertilizer	158,823	100	167,855	100	203,440	100
Sludge (excess sludge, etc.)	- Fertilizer	27,337	100	28,396	100	30,444	100
Wood waste (cask, palletes)	- Animal feed - Fertilizer	5,267	100	3,658	100	4,243	98
Glass and ceramic scrap	- Glass materials - Base course material	1,337	100	1,172	100	1,224	100
Paper scraps (cardboards, paper labels, etc.)	- Recycled paper - Cardboard materials	5,398	100	5,735	100	5,671	100
Plastic	- Palette - Solid fuel - Supplementary fuel	5,796	100	5,810	100	6,036	100
Metal scraps (aluminum, steel)	- Aluminum - Steel ingredients	3,506	100	3,123	100	3,033	100
Other		9,731	100	13,979	100	16,863	100
Total		217,925	100	229,728	100.0	270,953	100

Environmental Training

Name	Target	Number of participating employees
Onboarding training (environmental management class)	New employees	All
ISO14001 awareness and special education	Plant employees	All
Sustainability management training (e-learning, etc.)	Group employees in Japan	20,559
Internal ISO14001 auditor training	Internal ISO14001 auditor	59
Environmental Law Training	Employees from relevant departments	70
Wastes Disposal and Public Cleansing Act seminar	Employees from relevant departments	356

Social Data

Employee Composition

Employee Composition	2021	2022	2023	scope
Number of Suntory Group employees (people)	40,275	40,885	41,511	All Suntory Group companies
Suntory Group companies within Japan (people)	18,671	18,923	19,330	
Suntory Group companies outside Japan (people)	21,604	21,962	22,181	
Of which, employees of Suntory Holdings and Suntory Beverage & Food (people)	7,291	7,385	7,723	Suntory Holdings Limited and Suntory Beverage & Food Japan
Regular employees (people)	6,997	7,078	7,411	
(Average age) (year)	43	43	43	
Executives (people)	62	67	66	
Advisors (people)	33	34	25	
Non-regular employees (contract employees, etc.) (people)	158	166	184	

Employee Composition		2021	2022	2023	scope
	Other (athletes, etc.) (people)	41	40	36	

Employee Retention

Employee Retention		2021	2022	2023	scope
Number of new hires (people)		146	209	270	Suntory Holdings Limited and Suntory Beverage & Food Japan
Number of recent graduates hired (people)		113	114	168	
Number of mid-career hires (people)		33	95	102	
Number of employees leaving the company (includes voluntary termination, retirement, death, and punitive dismissal) (people)		186	200	212	
Of which, employees leaving the company voluntarily (people)		56	56	62	
Employee turnover rate (%)		0.8	0.8	0.9	
Percentage of new graduate hires who are still with the company after 5 years *1(%)		90	90	88.2	
Average number of years of service (years)		18.0	18.0	17.7	

*1 Calculated for new graduate hires (regular employees) of Suntory Holdings and Suntory Foods International from 2016 to 2018.

Career Development

Career Development		2021	2022	2023	scope
Number of employees submitting applications through the career development internal recruitment system*1 (entry)		191	249	226	Suntory Holdings Limited and Suntory Beverage & Food Japan
Number of employees whose applications were approved (people)		31	36	31	
Career Vision interview*2 implementation rate (%)		98.1	97.2	97.4	
Career Vision: Motivation in current position (out of 5) (point)		4.1	4.1	4.13	
Career Vision: Satisfaction with current position (out of 5) (point)		3.8	3.8	3.8	
Number of employees holding other positions concurrently (people)		94	139	136	
Number of employees submitting entries to the "Walk the Walk—Yatte Minahare Award"*3 (entry)		300	483	482	All Suntory Group companies
Number of employees joining the FRONTIER DOJO internal entrepreneurship project*4 (entry)		294	97	105	Suntory Group companies with in

Career Development	2021	2022	2023	scope
				Japan
Number of employees attending the Career Workshop* ⁵				
3rd year(2022~)/4th year(~2021)after joining the company* ⁶ (people)	129	303	127	Suntory Holdings Limited and Suntory Beverage & Food Japan
10th year after joining the company (people)	298	121	160	
40s (including the compulsory workshop at the age of 43 [instituted in 2021] and other workshops for which participation is voluntary) (people)	230	253	288	
50s (including the compulsory workshop at the age of 58 and other workshops for which participation is voluntary) (people)	243	191	181	
Number of career support interviews held by the Career Development Center (interview)	888	1,409	1,929	

*1 This is an initiative that contributes to the growth of individual businesses and the personal growth of employees by cultivating new capabilities in a manner which is free from preconceived ideas.

*2 Career Vision interviews are held for each employee once a year, to provide an opportunity for employees to think about their career through discussion with a manager, with the aim of "fostering the growth of individual employees through self-directed career development, and ensuring the effective utilization of human talent, including making sure that the right people are in the right positions."

*3 The "Walk the Walk—Yatte Minahare Award" is presented to teams that embody the "Yatte Minahare" spirit through the undertaking of original activities that challenge preconceptions and conventional methods.

*4 In-house venture project started in 2021 to generate innovation and create the Suntory of the future

*5 The Career Workshop is implemented in milestone years to provide an opportunity, in the form of a workshop, for employees to think about their careers, with the aim of "Enhancing career development over the medium to long term, and promoting more self-directed career management."

Learning

Learning	2021	2022	2023	scope
Training expenditure per employee per year (yen)	-	301,000	368,000	Suntory Holdings Limited and Suntory Beverage & Food Japan
Suntory Self-Development Program				
Number of employees participating in voluntary training (people)	848	3,810	2,757	Suntory Holdings Limited and Suntory Beverage & Food Japan
Number of employees undertaking e-learning (people)	775	1,015	1,042	
Total number of participants in the Terakoya program* ¹ (people)	32,196	27,465	29,524	Suntory Group companies with in Japan
Number of employees participating in global talent cultivation initiatives				
Global Leadership Forum (people)	16	15	21	All Suntory Group companies
Suntory Harvard Program (people)	-	31	20	
Beyond Borders (people)	25	26	26	

Learning		2021	2022	2023	scope
	Global Leadership Development Program (people)	26	29	50	
	Ambassador Program (people)	39	26	-	Suntory Group companies outside Japan
	Total number of trainees successfully completing the program (people)	23	21	26	Suntory Holdings Limited and Suntory Beverage & Food Japan
	Number of users of the School of Global Studies (opening in 2022) (people)	-	2,313	3,650	Suntory Group companies with in Japan

*1 A learning platform based on the concepts of "learning," "connecting," and "teaching each other" to foster a culture of more proactive learning

Diversity

Gender		2021	2022	2023	scope
	Percentage of new hires that are female (%)	37.0	48.0	49.6	Suntory Holdings Limited and Suntory Beverage & Food Japan
	Percentage of female employees (%)	25.5	26.2	27.6	
Percentage of female employees by age group					
	20s (%)	42.6	42.6	44.9	Suntory Holdings Limited and Suntory Beverage & Food Japan
	30s (%)	29.2	30.7	32.1	
	40s (%)	21.1	21.8	23.0	
	50s (%)	20.4	20.7	20.6	
	60s (%)	13.1	15.6	16.8	
	Number of female managers (people)	196	197	215	Suntory Holdings Limited and Suntory Beverage & Food Japan
	Percentage of female managers (%)	11.2	11.1	11.8	
	Number of female Executives (people)	4	4	7	
	Percentage of female Executives (%)	6.5	6.0	10.6	
Female employees' salary as a percentage of male employees' salary* ¹					
	All employees (%)		72.4	72.1	Suntory Holdings Limited and Suntory Beverage & Food Japan
	Of which, regular employees (%)		72.9	72.4	
	Of which, non-regular employees (%)		41.5	52.8	

* Includes athletes employed by Suntory Holdings Limited.

Balancing work responsibilities with childcare and nursing care responsibilities	2021	2022	2023	scope
Number of female employees taking childcare leave (people)	102	104	104	Suntory Holdings Limited and Suntory Beverage & Food Japan
Percentage of employees taking childcare leave (%)	105.2	108.3	96.3	
Number of male employees taking childcare leave (people)	134	154	205	
Percentage of employees taking childcare leave (%)	58.3	79.8	98.1	
Number of employees registering with the Job Return program in the current year (people)	14	11	6	
Number of employees taking nursing care leave (people)	2	0	2	
Number of employees making use of company-arranged home help services (people)	4	3	0	

Senior employees	2021	2022	2023	scope
Number of employees re-employed by the company at the age of 65 (people)	37	39	36	Suntory Holdings Limited and Suntory Beverage & Food Japan
Percentage of employees re-employed by the company at the age of 65 (%)	37	40	39	

Disability	2021	2022	2023	scope
Number of employees who have a disability (people)	108	105	117	Suntory Holdings Limited
Percentage of employees who have a disability (%)	3.07	3.04	2.97	
Number of employees who have a disability (people)	41	41	41	Suntory Beverage & Food Japan
Percentage of employees who have a disability (%)	2.69	2.65	2.69	

Workstyles

Workstyles	2021	2022	2023	scope
Average number of days of annual paid leave taken ^{*1} (day)	17.1	17.6	17.6	Suntory Holdings Limited and Suntory Beverage & Food Japan
Average overtime hours worked per month (hour)	18.5	18.7	19.2	Suntory Group companies with in Japan ^{*2}

*1 Encourage all employees to take at least 16 days of paid leave per year

*2 Includes Suntory Holdings Ltd., Suntory Beverage & Food Ltd., Suntory Spirits Ltd., Suntory Products Ltd., Suntory Foods Ltd., Suntory Business Systems Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd., and, Suntory System Technology Ltd.

Occupational Safety

Occupational Safety	2021	2022	2023	scope
Occupational accident severity rate (%)	0.000	0.000	0.001	Suntory Group companies with in Japan*1
Lost time incident rate (LTIR)*2	0.07	0.14	0.21★	
Number of employees undergoing occupational health and safety education (people)	717	712	656	
Total annual hours worked per employee (hour)	1,874	1,869	1,846	
Deaths due to occupational accidents (people)	0	0	0	Suntory Holdings Limited and Suntory Beverage & Food Japan

*1 Occupational accidents involving full-time employees, special contract employees and part-time employees working at the following Suntory Group companies are included: Suntory Holdings Ltd., Suntory Beverage & Food Group, (Suntory Beverage & Food Ltd., Suntory Foods Ltd., Suntory Products Ltd.), Suntory Spirits Ltd., Suntory Wellness Ltd., Suntory Business Systems Ltd., Suntory System Technology Ltd., and Suntory Global Innovation Center Ltd.

*2 Lost time incident rate (LTIR) (%)=Number of casualties due to occupational accidents (absence of 4 days or more)÷Total hours worked×1 million hours

* Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured value is indicated with ★.

Labor Practices

Labor Practices	2021	2022	2023	scope
Percentage of employees with the legal right to engage in collective bargaining (%)	55.8	54.5	52.5	Suntory Holdings Limited and Suntory Beverage & Food Japan

Health

Health	2021	2022	2023	scope
Percentage of employees having a health examination (%)	99.4	100.0	100.0	Suntory Group companies with in Japan*3
Percentage of employees having a further examination or in-depth examination (%)	74.1	83	91.1	
Percentage of employees eligible for specific health guidelines (%)	21.4	21.4	21.4	
Percentage of smokers who are non-smokers or currently quitting smoking (%)	82.7	83.5	83.1	
Percentage of employees having stress checks (%)	94.8	90.5	90.5	
Percentage of employees found not to have high stress levels (%)	93.0	91.8	91.9	

Health	2021	2022	2023	scope
Presenteeism* ¹ (%)	79.2	79.1	79.8	
Absenteeism (number of days absence due to injury or illness)* ² (day)	0.5	0.7	0.7	

*1 Work productivity (4-week average), with 100% representing no injuries or illness.

*2 Number of days on which employees are unable to work due to feeling unwell (3-month average)

*3 Includes Suntory Holdings Ltd., Suntory Beverage & Food Ltd., Suntory Spirits Ltd., Suntory Products Ltd., Suntory Foods Ltd., Suntory Business Systems Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd., and, Suntory System Technology Ltd.

Engagement

Engagement	2021	2022	2023	scope
Engagement Survey response rate (%)	97.0	96.0	96.0	Suntory Group companies with in Japan* ¹
Percentage of Favorable Respondents Regarding Pride in Working for Suntory Group (%)	85	82	85	
Proud to work for Suntory Group (out of 100) (point)	81	79	81	
Percentage of favorable respondents regarding satisfaction with company (company they work for) (%)	76	73	69	
Satisfaction with company (company you work for) (out of 100) (point)	73	72	70	

*1 Includes Suntory Holdings Ltd., Suntory Beverage & Food Ltd., Suntory Spirits Ltd., Suntory Products Ltd., Suntory Foods Ltd., Suntory Business Systems Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd., and, Suntory System Technology Ltd.

Overseas Data

Employee Number (Y2023)

Region - Employee number	41,511
Japan (people)	19,330
Americas (people)	7,538
Europe (people)	5,143
Asia, Oceania (people)	9,500
Business - Employee number	41,511
Beverages & Food (people)	23,532
Liquor (people)	9,999

	Others (people)	6,713
	Corporate (common) (people)	1,267

Gender Ratio (Y2023)

	Suntory Beverage & Food (APAC)	Suntory Beverage & Food(Europe)	Suntory Global Spirits Inc.	Suntory Japan*
Percentage of new hires that are female (%)	44	43	46	50
Percentage of female employees (%)	33	32	40	28
Average age of male employee (years)	38	45	42	44
Average age of female employee (years)	37	40	40	40
Average age of Executives (years)	54	52	52	58
Percentage of female managers (%)	44	43	42	12
Percentage of female Executives (%)	8	40	35	11
Average number of years of service for female (years)	8	12	8	19.3
Average number of years of service for male (years)	7	9	6.3	13.6

* People based in Suntory Holdings Limited and Suntory Beverage & Food Japan.

Engagement (Y2023)

	Suntory Beverage & Food (APAC)	Suntory Beverage & Food(Europe)	Suntory Global Spirits Inc.	Suntory Japan**
Engagement Survey score (point)	78	75	81	70

** People based in Suntory Holdings Limited, Suntory Beverage & Food Japan, Suntory Spirits Ltd., Suntory Products Limited, Suntory Foods Limited, Suntory Business Systems Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd. and Suntory System Technology Ltd.