

Beam Suntory Proof Positive

SUSTAINABILITY REPORT 2022



Celebrating Another Year of Proof Positive Progress

It's our belief that companies should have a positive impact on the world around us.

As a world leader in premium spirits, and as part of the Suntory Group companies, we are guided by our purpose to *inspire the brilliance of life by creating rich experiences for people, in harmony with nature.*

This notion is at the very heart of our business, guiding us to go beyond profit and focus on having a positive impact and influence. It is embodied in our sustainability strategy, Proof Positive, which guides how we operate as a responsible business that is actively contributing to a more sustainable, equitable future.



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About Us

As a world leader in premium spirits, Beam Suntory inspires the brilliance of life by delivering great consumer experiences through its world-class portfolio of brands.



6,000+ employees



26 distilleries and operations sites



30 corporate offices



105 iconic brand families across Whiskies, Cognac, Tequila, Gin, Vodka, Cordials and Ready-to-Drink



78 countries where our products are sold

2022 Highlights*



Nature

10% reduction in water usage rate across our operations; **15,652m³ of water replenished** in water-stressed watersheds

Agave, corn, grapes, barley and wheat regenerative agriculture pilots underway

~3% absolute reduction in Scope 1 and 2 greenhouse gas emissions

197,000 trees planted around the world

88% recyclable primary packaging by volume across our portfolio



Consumer

\$5 million invested in responsibility-led programming

28 million people reached through Drink Smart campaign in Japan

8% of shipped volume globally included on-pack nutritional data and symbols or written age restrictions

4 lower- and no-alcohol-by-volume (ABV) products introduced since 2021



Community

37% women in leadership positions globally

1.5% increase in diverse representation in the US

88% average participation rate in company-wide engagement pulse surveys

12,260 volunteer hours donated globally

20 employer-of-choice awards in 12 countries

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.

Letter from the CEO

As an alcohol beverage company whose brands are beloved around the world, Doing Business the Right Way has always been part of Beam Suntory's DNA.

From responsible product marketing, to ensuring we sustainably source our finely crafted spirits, to building a culture of inclusion, these are key elements to meeting our ambition to become the *World's Most Admired Premium Spirits Company*.

This year, we unveiled our new purpose, to *inspire the brilliance of life*, along with our values, *Growing for Good*, *Yatte Minahare* and *Giving Back to Society*. While not new concepts for us, this rearticulation of our corporate philosophy further guides us toward our ambition.

"Growing for Good" Through Long-Term, Sustainable Growth

Beam Suntory delivered strong results in 2022, reflecting our strategy to premiumize our spirits portfolio, focusing on value over volume and positioning our company as the global Ready-to-Drink leader. We achieved these results despite significant challenges, including geopolitical tensions, supply chain disruptions and record inflationary pressures.

We are investing in a sustainable future. In 2022, we reported record-high capital expenditures geared toward expanding capacity, quality improvements and sustainability, including a \$400 million investment at our Booker Noe distillery in Kentucky that will increase global production capacity for Jim Beam® while reducing carbon emissions by 50%.

We also opened the doors to our new global headquarters in New York City, strategically placing our team in a diverse city at the forefront of trends. With a new office in London and office openings in Singapore, Taiwan and Paris in 2023, we are bringing our employees closer to our consumers as part of our city-focused strategy.

Progress Across Our Proof Positive Pillars in 2022:

Nature+ We reduced the water usage rate across our operations by 10% and Scope 1 and 2 absolute greenhouse gas emissions in our direct operations by 1.5%. We have regenerative agriculture pilots underway addressing production of our raw ingredients, from corn, wheat and agave to grapes and barley.

Consumer+ We added macro-nutritional information to the labels of nearly 300 stock keeping units (SKUs). Overall, 8% of our shipped volume in 2022 had on-pack nutrition data, as well as symbols and words to warn against driving while intoxicated, underage consumption and drinking while pregnant.

Community+ We continued to progress our diversity, equity and inclusion objectives. We are proud to adhere to strong compensation practices and governance, and confirmed our employees are compensated fairly and equitably. In fact, this year, results of a voluntary pay equity study confirmed that Beam Suntory is an Equal Pay Employer.

Continuing to Build a More Sustainable Future

While this report represents a point in time, it is a proud mark of how we are building on our company's long tradition and philosophy of giving back and having a positive impact.

We see sustainability like the pursuit of perfection – it is a continuous process of rethinking and refining our positive influence on nature, with our consumers and employees, and within our communities over the long term.

We've seen incredible, inspiring results to date, and I want to thank our team for remaining steadfast in driving our strategy and our business forward.



Albert Baladi
President and Chief Executive Officer



Our Refreshed Purpose, Values and Behaviors

Everyone at Beam Suntory has a role to play in delivering growth, building our culture and contributing positively to society.

With our company roots based in Eastern and Western culture, Beam Suntory embodies the belief that bringing different people together creates something greater than the sum of its parts. More than ever, we know we are *Better Together*.

Beam Suntory Purpose, Values and Behaviors

What's most important is how our purpose is activated across the entire organization – not just at the top – engaging all our people. Here's how we talk about our purpose, values and behaviors.

Our Purpose

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

Our Values

Growing for Good

We are committed to inclusively growing. As we expand our reach, operating footprint and global influence, we strive to benefit all stakeholders and contribute to society.

“Yatte Minahare”

With the conviction to challenge convention and the courage to dream the impossible, we willingly pursue bold goals with tenacity, undaunted by failure. Innovation isn't easy, but by forging ahead, we'll find a way.

Giving Back to Society

We reinvest our profits not only to advance our business and people, but also to better society and the environment. We dedicate our time and skills to enrich the lives of others in the communities in which we live and work.

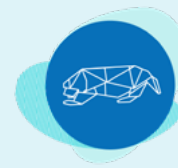
Our Behaviors

Our behaviors, called Suntory Leadership Spirit, define exceptional performance with a set of competencies across all Suntory Group companies. These behaviors are used to measure employees' "How," and are weighted equally with performance against their goals (their "What").



YATTE MINAHARE

Acts with a pioneering spirit, commitment and strong will to create value and deliver results. Cultivates innovations through experimentation and learning from success and failure along the way.



GEMBA FOCUSED

Acts with a Gemba mindset to gain insight on the needs of consumers, customers and colleagues, identifying new opportunities to create and deliver value.



BETTER TOGETHER

Works collaboratively with others across teams and boundaries. Encourages diverse perspectives and creates an inclusive culture that breaks silos, works beyond hierarchies and leverages our collective power.



FUTURE ORIENTED

Anticipates future possibilities and takes an enterprise-wide view, balancing immediate needs with a long-term perspective. Develops appropriate plans in the context of our value of "Growing for Good."



COMMITMENT TO GROWTH

Demonstrates commitment to personal growth of self and others. Takes a holistic and long-term approach to balancing personal well-being and career progress with organizational goals.

Proof Positive

How we do business is as important as what we do. We're determined to protect our environment, empower our consumers to make responsible choices and foster inclusivity and equity across our value chain.

Our Proof Positive strategy is our roadmap to a more sustainable, equitable future – our plan for having a net positive impact on the planet, with our consumers and employees, and within our communities. Our Proof Positive goals are aligned to the United Nations' Sustainable Development Goals (SDGs) and stem from the Suntory Group's Sustainability Vision.

Consumer Positive

Informed Choices | Consumer Information | More Options

We engage in a whole-of-society approach to reduce harmful drinking – including underage consumption – and we're working to foster an engaging, inclusive and responsible culture of consumption among legal-drinking-age (LDA) adults.



Nature Positive

Water | Climate | Forest & Field | Packaging

We're on a journey to have a positive societal and environmental impact, reducing our water, climate, forest & field, and packaging footprints, while working to protect and regenerate our ecosystems and their biodiversity.



Community Positive

Our People | Our Industry | Our Community

We're working to continuously foster a more inclusive, diverse and equitable culture across our business, operations and communities, and contributing our skills, time and resources to positively impact the communities in which we work and live.



The Structure Behind Proof Positive

At Beam Suntory and across the Suntory Group, accountability starts at the top.

From our Executive Leadership Team through to our dedicated sustainability teams and down to managers and teams, each link in the chain is responsible for implementing our Proof Positive strategy, as well as our values and behaviors, and inspiring our colleagues to do the same.



How We Build Sustainability Into Our Business

We're determined to protect our environment, empower our consumers to make responsible choices, and foster inclusivity and equity across our value chain.



Nature

- Supply chain
- Regional Sustainability Leads
- Subject matter experts



Consumer

- Research and development
- Public Affairs and Communications
- Brand and Commercial Teams



Community

- Global Champions
- Employee Impact Groups and International Ally Networks



Driven by Beam Suntory's Global Sustainability Leadership Team

Dedicated to best practice at all times



Supported by Suntory Group

Committed to their founding promise to coexist with people and nature

Global Sustainability Committee

Global Alcohol Responsibility and Sustainability Committee

Beam Suntory Nature Positive

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Our Spirits Are Inspired by Nature. So Are Our Commitments.

From the water we use in our production processes and the crops in our mash bills and recipes, to the trees that make our barrels, many of the ingredients we use to craft our products come from nature.

Crafting iconic brands for generations to enjoy and love means protecting and regenerating the nature and biodiversity that make them possible. Ours is a life cycle commitment – from seed to sip – and we work to reduce our impact from the moment we draw from soil, water and forests to our packaging decisions, to the consumer experience.

OUR CONTRIBUTION TO THE SDGS

We use the SDGs to help identify priority areas for future activities, including preserving and replenishing water, supporting biodiversity, investing in renewable energy and recyclable packaging, and embedding regenerative agricultural practices across our supply chain to cut emissions.



Water

Behind every bottle we produce is a reliable supply of pristine, high-quality water. Without it, we cannot deliver the experience our consumers expect. We share this vital resource with the communities around our direct operations.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Reduce water usage rate by 50% per unit produced by 2030.	2030	2015	22.5kl/kl	10% reduction (12.4kl/kl)	45% (12.4kl/kl)	●
Replenish more water than we use in our direct operations in water-stressed watersheds.	2040	2019	0m ³	6,223m ³	15,652m ³	●
Protect and improve watershed sustainability through Natural Water Sanctuary initiatives.	2040	2019	0 hectares	64 hectares	6,626 hectares	●

● On track ● Off track

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.

We are committed to balancing our water use in our direct operations by reducing and replenishing the amount of water we consume in high-risk watersheds. We will use more efficient equipment and practices as well as recharge and protect natural water sources for the next generation.

Reducing Our Water Usage Rate

We have an ambitious target to halve our water usage rate by 2030.

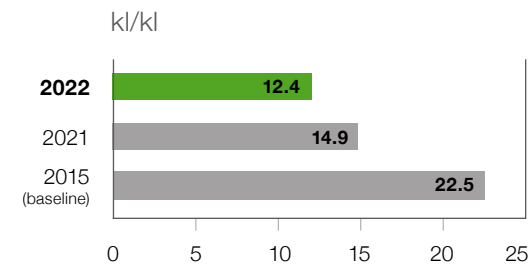
In 2022, our Annual Incentive Plans included a goal to reduce water usage by 5% vs. 2021. We surpassed our goal, achieving a 10% reduction through investments in closed-loop cooling systems at our Clermont and Booker Noe distilleries in Kentucky. The system installed at our Clermont, KY, facility – where we distill Jim Beam® – reduced the average volume of water recirculated from an on-site lake by more than 35 million gallons per month.

In 2023, we will continue to invest in additional closed-loop cooling systems in Spain and Scotland. These investments will optimize and reduce the amount of water used for cooling and the overall impact on the health of the watershed.

We continue to work to minimize the water footprint in our direct operations, especially in high-risk watersheds of India and Mexico, where we are reusing process water for non-product contact applications. We collect, treat and beneficially reuse this process water to improve efficiency and reduce the impact on these aquifers.

We have teams dedicated to identifying and implementing best practices to drive continual improvement. Metering, leak detection and understanding the direct and indirect impacts of our water usage are foundational elements of our approach. We identified 15 opportunity areas for water reduction across our direct operations and are developing best practice guidance to action these areas throughout our business in 2023 and beyond.

Water Usage Rate Across Our Operations*



Reducing Water Usage Across Our Operations

Cooling systems at our distilleries are one of the main contributors to our water usage rates. More than 200 mechanical seal pumps across our direct operations use water to cool equipment, contributing to more than 3% of our total annual water usage.

Our Gemba and Kaizen teams identified solutions to reduce and, in some cases, eliminate the need for seal water. With these changes, we estimate we can reduce water consumption by 13 million gallons per year, globally (a 1.2% reduction), over the next 3–5 years, leading to a potential savings of more than \$300,000 annually.



Replenishing Water Used in Our Direct Operations in High-Risk Watersheds

We share our water resources with the communities near our direct operations. We take our role as water stewards seriously and are committed to protecting and replenishing our watersheds, especially in areas facing water risk or even scarcity.

In 2022, we partnered with LimnoTech to conduct watershed risk assessments across our manufacturing sites. The assessments identified that six manufacturing sites in Mexico, India, France and Spain, which account for 14% of our annual production volume, are located in high-risk watersheds. We also completed watershed risk assessments for key raw materials in our agricultural supply chain, including barley/malt, grapes, corn, agave, sugarcane, wheat and rye, and identified high-priority sourcing regions for these raw materials.

We are working to identify nature-based replenishment solutions and developing a roadmap to direct future investments in our high-risk watersheds in France, India and Spain, with continued investment in Mexico.

In Mexico, Casa Sauza® was certified for being an allied company of the Charco Bendito Project in the restoration of the Cajititlán micro-watershed, providing 15,652 cubic meters of replenishment within the watershed in 2022, with more than 32,500 cubic meters since 2020.

This watershed initiative, a collaborative effort with the Beverage Industry Environmental Roundtable (BIER) and eight other manufacturing companies, is focused on restoring and protecting land in the Lerma-Santiago water basin through reforestation, soil conservation and aquifer recharging activities.

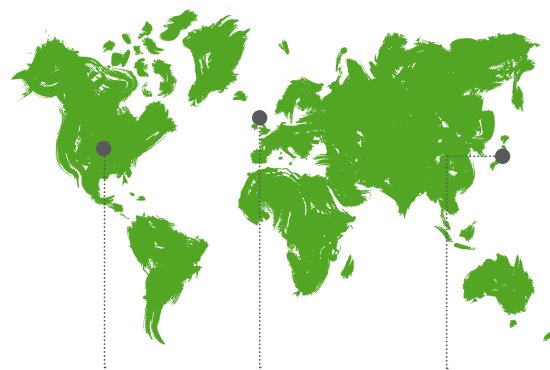
Preserving Natural Water Sanctuaries

On its way to our distilleries, the water we use filters through layers of rocks and minerals, which lend their own qualities to our distinctive spirits.

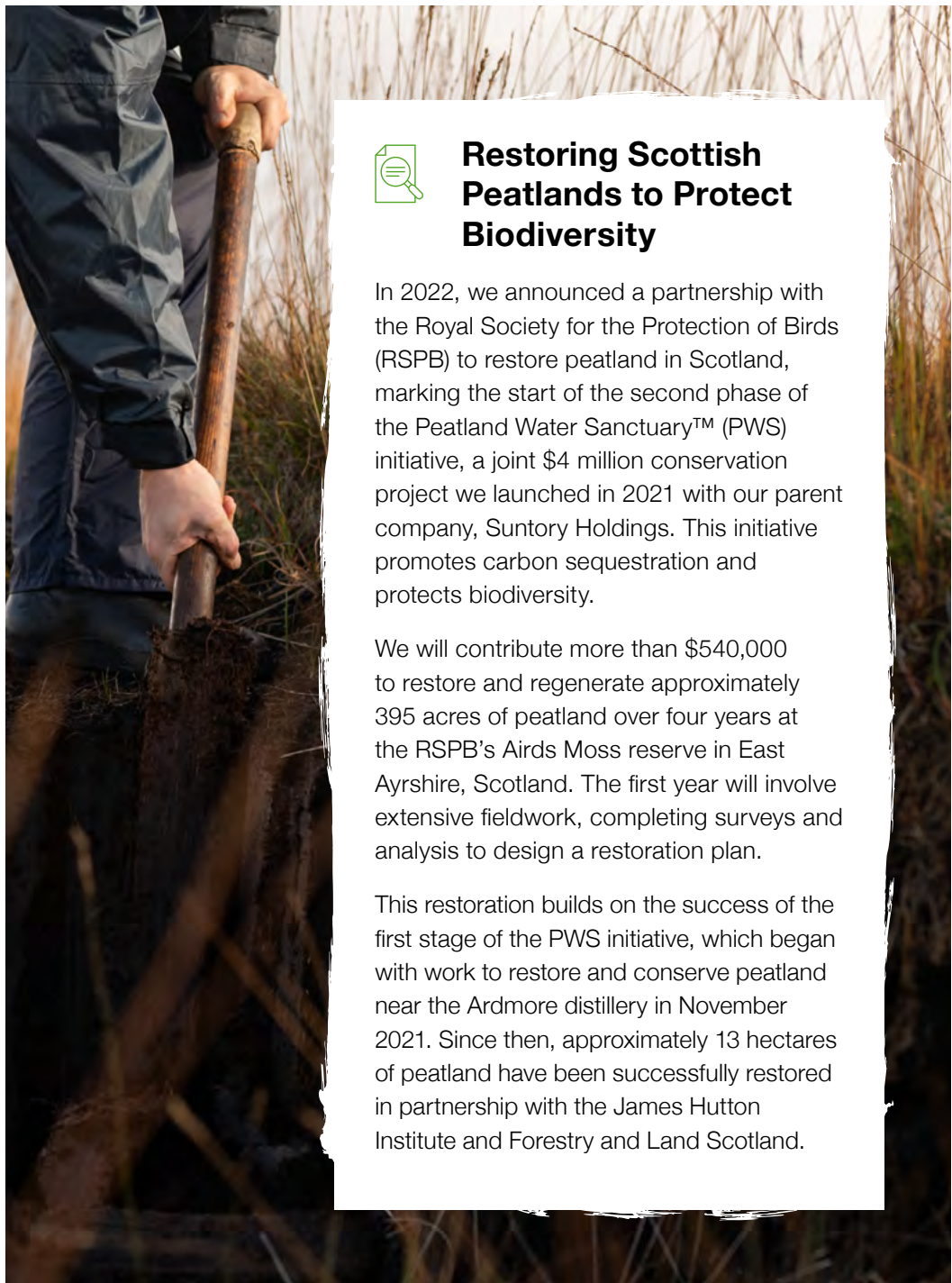
Through our Natural Water Sanctuary program, we are doing essential work to help preserve the land that filters the water to protect these unique characteristics and ensure sustainable,

quality water for our neighboring communities. The program is inspired by Suntory's dedication to water quality and sustainability, and the Suntory Group's 21 Natural Water Sanctuaries in Japan.

Our Natural Water Sanctuary Programs



- US:** Maker's Mark Natural Water Sanctuary and Jim Beam Natural Water Sanctuary Alliance
- SCOTLAND:** Peatland Water Sanctuary
- JAPAN:** 21 Natural Water Sanctuaries



Restoring Scottish Peatlands to Protect Biodiversity

In 2022, we announced a partnership with the Royal Society for the Protection of Birds (RSPB) to restore peatland in Scotland, marking the start of the second phase of the Peatland Water Sanctuary™ (PWS) initiative, a joint \$4 million conservation project we launched in 2021 with our parent company, Suntory Holdings. This initiative promotes carbon sequestration and protects biodiversity.

We will contribute more than \$540,000 to restore and regenerate approximately 395 acres of peatland over four years at the RSPB's Airds Moss reserve in East Ayrshire, Scotland. The first year will involve extensive fieldwork, completing surveys and analysis to design a restoration plan.

This restoration builds on the success of the first stage of the PWS initiative, which began with work to restore and conserve peatland near the Ardmore distillery in November 2021. Since then, approximately 13 hectares of peatland have been successfully restored in partnership with the James Hutton Institute and Forestry and Land Scotland.

Climate

We are committed to reducing our greenhouse gas emissions and achieving net zero carbon emissions across our value chain to sustainably meet current and future demand for our iconic brands. We'll get there by transitioning to renewable energy sources and decarbonizing our operations.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Reduce Scope 1 and 2 greenhouse gas emissions from direct operations by 50%.	2030	2019	259 ktCO ₂ e (Absolute)	-3.0% (Absolute)	-16.9% (Absolute)	●
Greenhouse gas Intensity Rate			0.55 ktCO ₂ e/kl (Intensity)	-3.9% (Intensity)	-22.6% (Intensity)	
Reduce Scope 1, 2 and 3 greenhouse gas emissions by 30%.	2030	2019	895 ktCO ₂ e (Absolute)	+3.9% increase (Absolute)	+4.5% increase (Absolute)	●
Greenhouse gas Intensity Rate			1.91 ktCO ₂ e/kl (Intensity)	+2.9% (Intensity)	-2.6% (Intensity)	

● On track ● Off track

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.

Our Journey to Net Zero

We solidified our approach to reduce greenhouse gas emissions across our direct operations (Scope 1 and 2) and are working to do the same across our entire value chain (Scope 1, 2 and 3). We understand that getting to net zero across our entire value chain will be one of the biggest challenges we face as a business. However, we are committed to reaching this bold ambition through collaborative partnerships with our suppliers to drive continual improvement, investment in technological innovation and increased use of renewable energy and materials to reimagine the way we do business.

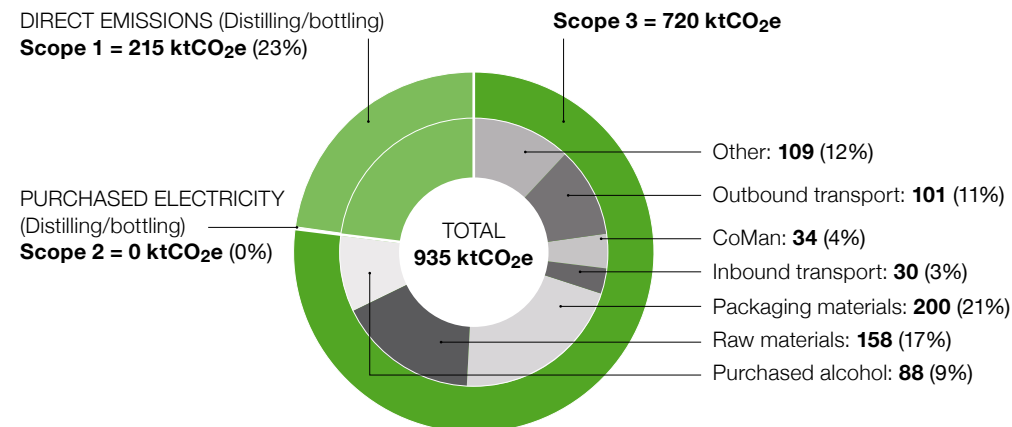
In 2022, we reduced Scope 1 and 2 greenhouse gas emissions from our direct operations by 3% (vs. 2021) and nearly 17% vs. our 2019 baseline. We achieved these reductions through increased efficiency and investment in renewable energy.

However, our Scope 1, 2 and 3 greenhouse gas emissions from our value chain did increase by 3.9% (vs. 2021) and by 4.5% vs. our 2019 baseline. These increases were largely driven by increased production and slower rates of decarbonization throughout our value chain.

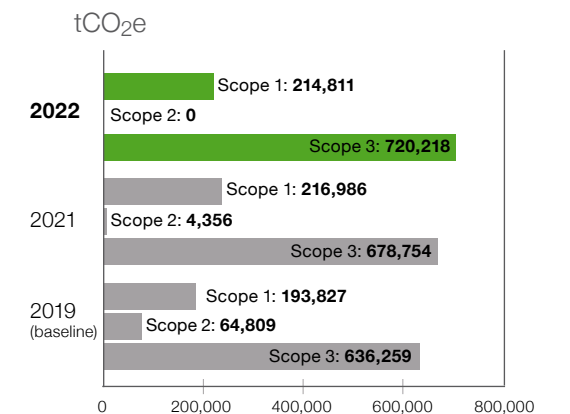
We continue to invest and implement lower-carbon solutions and are collaborating with our key suppliers on decarbonization strategies.

This work has reduced our greenhouse gas Intensity Rate (Tons CO₂e/kl Production) by more than 2.5% vs. our 2019 baseline.

Total Greenhouse Gas Emissions Across Our Value Chain



Scope 1, 2 and 3 Greenhouse Gas Emissions Across Our Value Chain*



Scope 1 Greenhouse Gas Emissions

Around the world, we're transitioning our sites to lower-emitting energy sources and increasing our use and production of renewable energy. There are several key projects that significantly contributed to reducing Scope 1 greenhouse gas emissions:

Suntory Holdings (SHD) – Japan

In 2022, Suntory announced a partnership with Yamanashi Prefecture, an initiative to produce green hydrogen by installing a 16-megawatt power-to-gas system – Japan's largest – at Suntory's Hakushu distillery and water plant by 2025. The system, which will power the distillery and surrounding communities, will produce green hydrogen by electrolyzing water from renewable sources, reducing greenhouse gas emissions from the production process.

Scope 2 Greenhouse Gas Emissions

All of our direct operations are powered with 100% renewable electricity. This renewable electricity comes from on-site solar, power purchase agreements and Renewable Electricity Attribute Certificates (RECs).

We are committed to supporting the creation of new and existing renewable electricity sources.

We have installed on-site solar at our direct operations in India, Kentucky and Spain and have plans to continue to expand our capacity in additional countries.

We are also forming a consortium to provide increased opportunities in the US and Canada to purchase renewable electricity via a Virtual Power Purchase Agreement.

Key Projects Contributing to Scope 1 Greenhouse Gas Emission Reductions

Distillers	Location	Project	Reduction (ktCO ₂ e)
Alberta Distillers (ADL)	Calgary, Canada	Installed new Miura natural gas boilers. These water tube boilers are considered "once-through," meaning they produce steam on demand (within five minutes from a cold start-up). These boilers are modular, have a compact footprint and are more efficient than traditional fire-tube boilers.	3.8
DYC Distillery	Palazuelos de Eresma, Spain	Installed a new evaporator with mechanical vapor recompression. The latent heat from vapor is retained and recompressed for reuse in the evaporator. This reuses energy that would have otherwise been wasted. Once the evaporator is started, the only energy input required is the electricity to run the compressor, which reduces the steam and fuel usage.	4.1
Laphroaig Distillery	Islay, Scotland	Installed a new heat exchanger (economizer) on the boiler. The latent heat from the boiler exhaust is retained and reused to heat the incoming boiler feedwater. This reuses energy that would have otherwise been wasted. By heating the incoming feedwater, the boiler does not have to use as much fuel to turn the water into steam.	0.52
Maker's Mark Distillery	Loretto, Kentucky	Installed a new heat exchanger on the doubler. The latent heat from the outlet of the doubler is retained and reused to heat the low wine coming into it. This reuses energy that would have otherwise been wasted. By heating the low wine coming into the doubler, this increases the heat usage efficiency.	2.5



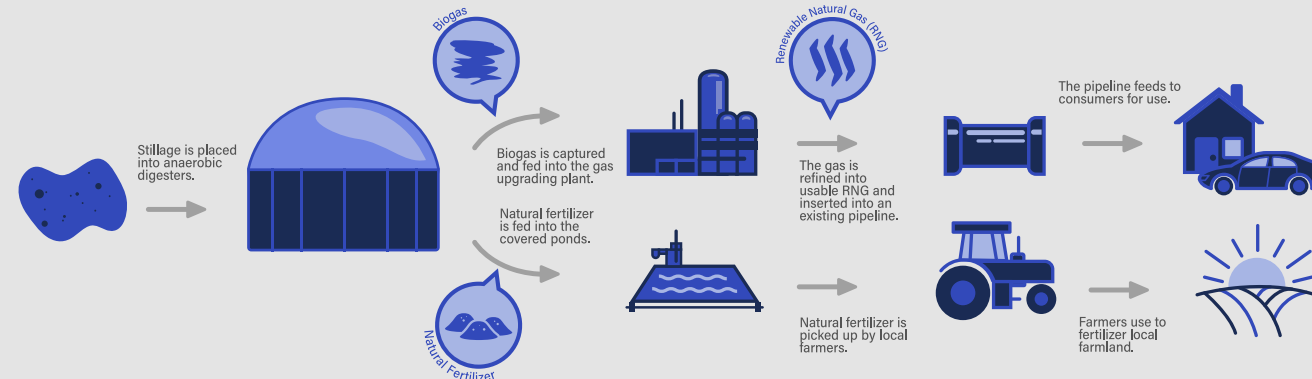
Putting Renewable Energy Behind Jim Beam

In September 2022, we announced plans to invest more than \$400 million to expand production at our Booker Noe distillery in Boston, Kentucky, which produces Jim Beam®. This expansion will increase the distillery's capacity by 50%, while reducing the greenhouse gas emissions by the same amount.

3 Rivers Energy Partners will design, build, own and operate a \$118 million facility that will convert spent stillage into renewable natural gas (RNG)

using anaerobic digesters. The facility is expected to produce up to 1.3 million MMBtu of RNG. This RNG will be refined to pipeline standards and piped directly to the Booker Noe distillery. Additionally, these anaerobic digesters will produce a high-quality, low-cost natural fertilizer, which will be made available to local farmers. This natural fertilizer will support and expand sustainable and regenerative agricultural practices. More information about the facility can be found on the 3 Rivers Energy Partners website at 3riversenergy.com.

When the project is completed, the Booker Noe distillery will be fueled by more than 50% renewable natural gas.



Decarbonizing Our Entire Value Chain

In 2022, our Sustainability, Procurement, Fulfillment, Transportation and Logistics teams worked together to identify our largest categories of Scope 3 greenhouse gas emissions, initiatives needed to meet our targets and abatement measures to achieve greenhouse gas emissions reductions. Together, they established a greenhouse gas emissions calculation and reporting model, and recalculated our 2019 baseline for Scope 3 greenhouse gas emissions and targets for various operations.

Understanding Our Scope 3 Greenhouse Gas Emissions Footprint*

Area	KtCO ₂ e	Scope 3 Emissions
Packaging Materials	200	28%
Raw Materials	158	22%
Purchased Alcohol	88	12%
Transportation and Distribution	131	18%
Co-manufacturing	34	5%
Other	109	15%

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.

Insights-based Scope 3 Action Plan

A Scope 3 Working Group, led by a steering committee comprising the heads of Procurement, Operations, Fulfillment and Sustainability, developed a strategic playbook that puts sustainability at the center of our procurement process. This included sustainability scorecards for every priority supplier in each category and ensures sustainability is part of any priority supplier contract renegotiations going forward.

Teams are also helping formalize initiatives to address our primary abatement measures to drive continued reductions in key areas: purchased alcohol, co-manufacturing, packaging, logistics and agriculture.

Our packaging portfolio and raw agriculture ingredients are two of the biggest contributors to our Scope 3 greenhouse gas emissions, and are areas we are working to solve.

Our newly developed Sustainable Packaging Design Guidelines are helping us design premium packaging with less of an environmental footprint. This includes by right weighting our bottles and increasing use of renewable, recyclable content, allowing us to reduce unnecessary packaging and use fewer virgin materials.

We have identified potential opportunities to reduce our greenhouse gas emissions by leveraging regenerative agricultural practices. We have pilots underway, in partnership with our parent company Suntory, our suppliers and environmental organizations, exploring production of barley (UK), corn (US), grapes (France) and agave (Mexico). With the findings of these pilots, we have the potential to scale up these practices and further reduce Scope 3 greenhouse gas emissions.

Measuring progress requires increased transparency from our suppliers. We have developed initial data requirement templates for priority Scope 3 data, with the goal of improving the quality and quantity of data we receive from suppliers so we can continue to track our progress and target opportunities.

Teacher's & Oaksmith – India

Packaging is a significant portion of our Scope 3 greenhouse gas emissions, which is why we are committed to reducing dependency on single-use boxes for Teacher's® Scotch Whisky and Oaksmith® International Blended Whisky packaging.

This initiative is expected to help conserve 715 million liters of water and reduce carbon emissions by 3.8 tonnes in India by 2030.



Reducing Greenhouse Gas Emissions for Road Freight

We have partnered with sennder, Europe's leading digital road-freight forwarder, on a biofuel pilot for road freight across the Netherlands and Germany that has reduced our greenhouse gas emissions for these routes by 88.8% (more than 88 metric tonnes) after only 11 months.



Forest & Field

Our spirits are made from agricultural products like grains, plants and fruits, along with trees for the barrels in which we age them. By partnering closely with farmers to restore and improve the land, water and climate after each harvest, we promote a nature-first approach that implements climate-smart agriculture and sustainable forest management.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Plant more trees than harvested to make our new barrels.	2030	2019	0 trees	197,000 trees	206,787 trees	●
Work only with growers that use regenerative and sustainable practices.	2040	2019	0 hectares	870 hectares (154 growers)	870 hectares (154 growers)	●

● On track ● Off track

Reforestation & Research

Wood and spirits go together. We age many of our iconic brands in wood barrels, imparting taste and character. Healthy forests offer more than just a continuous supply of barrels – they contribute to cleaner groundwater, healthier soil and the biodiversity that supports a thriving ecosystem.

As part of our Nature Positive strategy, we partnered at the local level to support reforestation efforts and important research on White Oak genetics, which is the source of all our Bourbon barrels. As responsible forest stewards, we also recognized the opportunity to expand our strategic priorities to include Sustainable Forestry Management.

In March 2022, Independent Stave Company (ISC), which manufactures the majority of our Bourbon barrels, achieved certification to the Sustainable Forestry Initiative® (SFI). Moving forward, all American white oak manufactured in the US by ISC will be certified to the SFI Fiber Sourcing Standard. The certification process supports forest and harvest management and requires measures to broaden the conservation of biodiversity and protect water quality.

Beam Suntory is also a founding member of the White Oak Initiative. Formed in 2017, the initiative brings together various industries, universities, state and federal agencies, private landowners, conservation organizations and trade associations with a common goal: to maintain high-quality

white oak regeneration for years to come. While currently there is sufficient supply of all American white oak, the source of many of our barrels, shifts in land management and ecological changes require action today to ensure older white oak trees are being replaced with younger white oak trees at the required pace to meet future supply. The initiative encourages and provides direction for research aimed at implementing solutions for issues associated with oak health, population, age, genetic diversity and economic and jobs impact. It is also providing technical assistance for both private and public landowners to encourage the growth of white oak and on-the-ground implementation strategies to engage and support family forest owners and assistance to public land foresters.



Reforesting in Kentucky With The Nature Conservancy and Green Forests Work

In April 2022, we teamed up with The Nature Conservancy (TNC) and Green Forests Work to reforest a shortleaf pine-upland oak forest on nearly 150 acres of a former surface mine in Bell County, Kentucky, through the planting of more than 100,000 trees. 525 pounds of native warm-season grasses and wildflower seeds were also spread

across the area to benefit pollinators and other wildlife. 75 volunteers from Beam Suntory planted nearly 7,000 of those trees during two days of planting, with approximately half of these trees being white oak.

The site is part of TNC’s 253,000-acre Cumberland Forest Project, which

features an innovative conservation approach, combining public recreation, sustainable timber harvest, forest carbon markets and impact investment. The project, which spans Kentucky, Tennessee and Virginia, contains former mine lands.

Reforesting these sites supports climate resiliency, wildlife habitat and increases forest connectivity in the migratory corridor of the Central Appalachians.

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.

Sustainable Farming

We are committed to partnering with farmers to further regenerative and responsible farming techniques. This includes regenerative agriculture practices that reduce greenhouse gas emissions and improve soil health, such as reducing the use of chemical fertilizers and pesticides, planting cover crops to increase soil biodiversity and fertility, and implementing crop rotation and other practices.

Our goal is to restore and protect nature while supporting our communities and farmers' livelihoods. Ultimately, healthier soil and biodiversity means continued access to high-quality ingredients.



Kentucky – Maker's Mark®

In 2022, we partnered with The Nature Conservancy on a research project in

Kentucky on regenerative agriculture practices. Based on lessons learned from the research project, approximately 35% of Maker's Mark farmers, who account for 75–80% of our corn supply, are now engaged in a pilot to further expand regenerative practices. We will continue to test and deploy best practices that can be applied more broadly in our growing regions.

The production and farming of wheat has dramatically changed as the commercial agricultural industry has prioritized yield over flavor. Maker's Mark has taken several actions to bring more flavor to wheat for the future. The brand is partnering with expert wheat breeders to grow test plots of heirloom and heritage wheat varieties at Star Hill Farm and implementing regenerative farming practices across the farm to improve soil health, which in turn increases the quality and flavor of our crops. Maker's Mark is also partnering with the University of Kentucky to research labeling and sourcing options, which would allow consumers to easily identify brands growing their ingredients on-site using responsible, regenerative practices.



Mexico – Casa Sauza®

Our Casa Sauza Tequila brand partnered with Red Bio Terra on a first-of-its-kind pilot within the Tequila industry to

measure the carbon-sequestration benefits of sustainable agave-planting practices. The pilot will explore ways to maximize carbon capture in agave fields by allowing native plants, which absorb carbon during the day, to grow between the agave rows, which absorb carbon at night. If successful, this will reduce approximately 50% of Casa Sauza's greenhouse gas emissions by 2026, and 100% by 2030.



France – Courvoisier™

Maison Courvoisier in Jarnac, France, established the Ô'Vignes endowment fund with multiple local partners, including winegrowers, water

agencies and experts to preserve the quality of the water resources in the area and to promote greater biodiversity. As part of the project, more than 250 different species of plants will be planted as crop cover, which will allow rainwater to be filtered into groundwater, helping remove pollutants and develop biodiversity. The additional plant life will also expand the habitat for important insect populations and fauna.

In addition, our Courvoisier brand is creating a winegrower (Haute Valeur Environnementale (HVE))-certification program to help every partner learn and implement sustainable agriculture practices and how to navigate the HVE certification process.



Cutting Emissions Through Regenerative Barley Farming in the UK

Agricultural raw ingredients constitute approximately 16% of total greenhouse gas emissions across Beam Suntory's entire value chain, with barley being one of the biggest. In November 2022, Beam Suntory and the Suntory Group launched a new initiative in the United Kingdom to procure UK-grown barley produced using regenerative agriculture practices in an effort to reduce greenhouse gas emissions. This collaborative project, which includes UK-based malt supplier Muntions, sustainable agriculture consultancy Future Food Solutions Ltd and local barley farmers in the East Anglia region, will begin by baselining all crop-related greenhouse gas emissions and is expected to produce barley with 50% lower greenhouse gas emissions within five years.

Packaging

We know that the way our products are packaged – from bottles to boxes – is part of the experience our consumers love. We’re incorporating innovative design principles to use less input materials in packaging and make it easier for consumers to recycle, with the goal of making our footprint smaller and producing less waste overall while still delivering a premium brand experience for our consumers.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Use 100% recyclable¹ packaging across our packaging portfolio	2030	2021	88% primary packaging	0%	88% primary packaging	●
Use 100% rPET² or bio-based materials in PET bottles	2030	2019	0%	+0.6%	+1.2%	●
Use 40% recycled materials³ by weight across our packaging portfolio	2030	2019	13.1%	-1.3%	11.3%	●

● On track ● Off track

Packaging Refreshed

We refreshed our Maker’s 46® packaging, reducing the weight by 32% and enabling a 975-tonne CO₂e decrease. We also removed polybags from Basil Hayden®’s primary packaging, eliminating 55 tonnes of linear low-density Polyethylene plastic and reducing CO₂ emissions by 123 tonnes.



Standardizing Sustainable Design in Packaging

We’ve integrated sustainability into our Seed to Sip packaging design process to illustrate sustainability implications, so that we can design better-for-the-planet premium packaging that adds value, not waste. At each innovation stage, whether for new or refreshed packaging initiatives, there are sustainability parameters around recyclability, recycled content and greenhouse gas emissions to help address our packaging and climate goals.

Our teams are also leveraging our newly created Sustainable Packaging Design Guidelines focused on three key areas:

1. Optimizing the Design
2. Designing for Recycling
3. Sourcing Sustainably

The guidelines help ensure we design sustainable packaging from the start. It includes good, better, best style guidance for each packaging part type, along with relevant regulatory, customer and consumer requirements.

Our Life Cycle Assessment software, introduced in December 2021, is also an important tool throughout our design process. The platform helps us understand the environmental impacts of various packaging factors, such as weight and supplier distance, and gives us a baseline understanding of the environmental footprint of our current portfolio’s packaging.

Creating a Global Recyclability Packaging Standard

In 2022, we completed a project designed to create a global benchmark for recyclability and identify gaps in our portfolio. Our analysis showed our portfolio’s primary packaging is 88% recyclable based on 2021 production data. In the US and Canada, we saw a 1% increase in recyclable primary packaging and are working to complete an assessment for the rest of our global portfolio based on 2022 production data. We are expanding our recyclability assessment this year to include secondary and tertiary packaging.

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.

1 Recyclable: A package is considered recyclable if it can be successfully collected, sorted and processed into a commodity for which a market exists.
 2 Recycled polyethylene terephthalate (rPET).
 3 Recycled materials content is made from recovered materials that could include consumer-recycled or industrial waste.

As a result of this work, we are also working to close the gaps we identified, including four primary opportunities:

- 50ml bottles, which are currently too small to be recycled because the standard screen size loses materials less than two inches to the waste stream.
- ROPP (aluminum) closures on Polyethylene terephthalate (PET) bottles, which prevent the bottle from being sorted properly or lead to contamination in the rPET stream.
- Non-recyclable secondary packaging like multi-material tubes and wooden boxes.
- Amber-colored PET, which is considered detrimental to recycling by the Association of Plastic Recyclers (APR) standards. Although it can be recycled in some markets, we will explore alternatives to improve these bottles to reach APR “Preferred” status.

As we address these opportunity areas, we are looking at sortation-friendly designs for 50ml bottles, launching alternatives to aluminum for PET bottles and identifying widely recyclable options for amber PET. We are also continuing to move to recyclable alternatives in secondary packaging or eliminating it altogether.

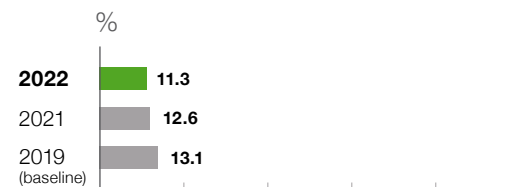
At our Global Innovation Center in Clermont, Kentucky, we introduced new equipment to test and observe the recyclability of our packaging on-site. With this equipment, we

are able to put products through a simulated recycling process that meets the APR’s testing specifications.

Recycled Materials by Weight

As we adopt more circular packaging, one of our key goals is to reach 40% recycled materials by weight across our packaging portfolio by 2030 – and expand to 60% by 2040. We have made steady progress in corrugate, increasing the recycled content from 31.6% in our baseline year to 39.6% in 2022. However, the largest impact to our total recycled content is glass, which represents 82% of our total material weight. Glass cullet availability has decreased over the last two years, driving down our total recycled content. This highlights the need to focus on ways we can impact the amount of cullet available in the areas where our bottles are produced.

Percentage of Recycled Material in Our Packaging*



Looking ahead, we are exploring closed-loop recycling programs and partnerships to increase the amount of glass being recycled across our communities and our access to cullet.

Recycled PET in Changing Markets

In 2022, we continued to lay the groundwork to increase circular plastic in our packaging. We outlined our glidepaths to guide our approach to transitioning 100% of our PET packaging from virgin to recycled materials in the years ahead.

Percentage of rPET in Our Packaging*



* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.



Creating a Sustainable Future With How2Recycle

In 2022, we joined the [How2Recycle® label program](#) to assess the recyclability of our packaging portfolio in the United States and Canada.

Maker’s Mark is the first brand to adopt the How2Recycle smart-label system on-pack across both the US and Canada. The smart-label system clearly communicates transparent recycling instructions, so consumers can take proper action to recycle and dispose of our various packaging elements. We anticipate additional brands to follow in the coming years.



“Bourbon is nature, distilled. We know a commitment to the quality of our ingredients can lead to a future where whisky is not only more sustainable, but markedly more flavorful as well”



Rob Samuels



Achieving our status as a Certified B Corporation in 2022 recognized decades of workplace, community and environmental actions that Maker's Mark has stewarded as part of our values.

STAR HILL FARM Kentucky

1 Regenerative Farming Practices

In 2022, the 1,100 acres of Star Hill Farm earned Tier 2 certification from Regenified, an independent regenerative soil verification leader. The brand champions regenerative farming practices to improve soil biology, reduce greenhouse gas emissions and maximize the flavor of everything the farm yields.

2 Local Ingredient Sourcing

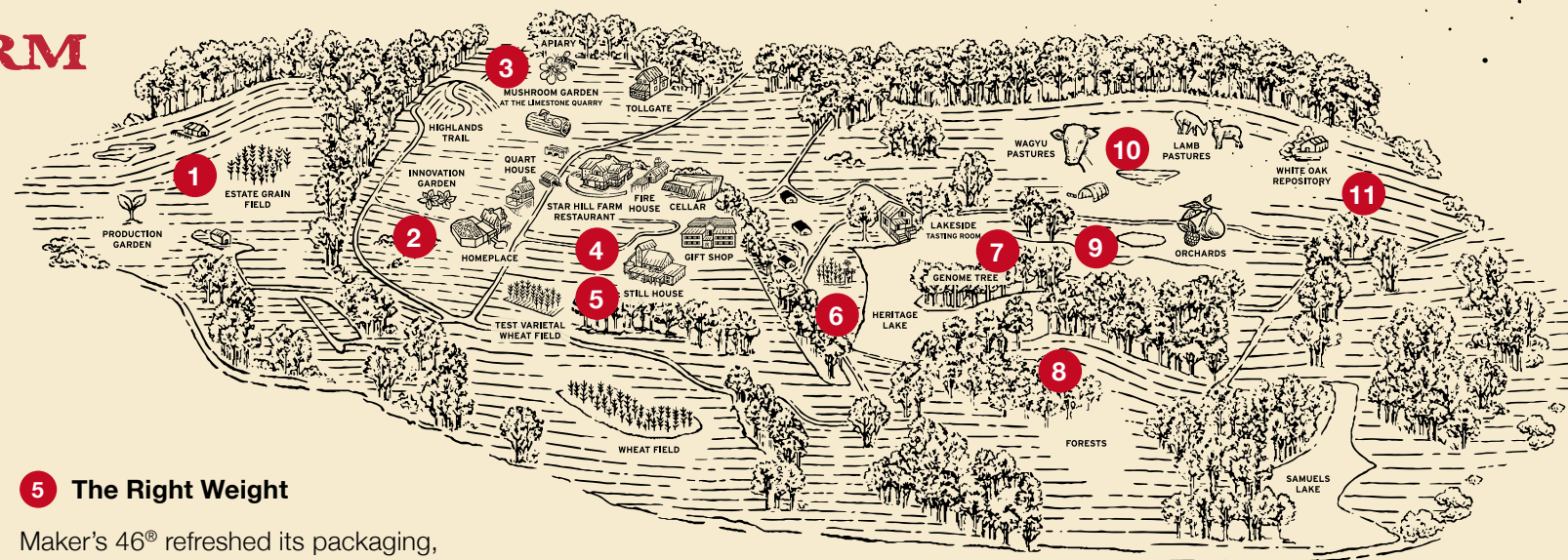
86% of the ingredients featured at our on-site restaurant and in our cocktail program are grown on-site or, like the ingredients in our whisky, sourced from within a 30- to 60-mile radius.

3 Farm Tour Visitors' Experience

A new “farm tour” visitors' experience gives distillery visitors a chance to learn not only about how we make our whisky, but how we are protecting and nurturing our natural environment.

4 Zero Waste-to-Landfill Distillery

Maker's Mark became a zero waste-to-landfill distillery in December 2022 through diligent recycling, reuse and composting efforts supported by the entire employee team.



5 The Right Weight

Maker's 46® refreshed its packaging, reducing its weight by 32% and enabling a 975-tonne CO₂e decrease.

6 On-Site Lakes

Maker's Mark founders Bill and Margie Samuels purposefully chose Star Hill Farm for their whisky distillery because of its access to spring-fed water sources. Protection and conservation of these on-site lakes continues to be a central part of our environmental stewardship.

7 The Genome Tree

Maker's Mark and The University of Kentucky collaborated on a comprehensive, industry-first effort to map the genome of “MM1,” a white oak tree on Star Hill Farm estimated to be up to 500 years old. Studying the genetic data of this mother tree will provide information about the species' longevity, disease resistance and vitality.

8 Natural Water Sanctuary

Maker's Mark owns 100% of the watershed surrounding our water source, with 75 acres – and expanding – designated as Natural Water Sanctuary.

9 Native Plants and Pollinator Garden

We plant native grasses in the Natural Water Sanctuary to increase biodiversity and the water quality with greater contact between water and limestone. The plants also help reintroduce native pollinators, including bees, butterflies and ground-nesting birds.

10 Cover Crops & Livestock

Using systems like cover crops and rotational grazing, we're helping improve soil structure and health as part of the holistic regenerative farming model. As ruminant animals are reintroduced to the land, they improve the diversity of soil biology and leave organic fertilizer for plants.

11 White Oak Research Forest

With the University of Kentucky, Maker's Mark created the world's largest white oak research forest. With more than 400 unique families of white oak trees, the oak forest acts as a living laboratory for scientists to study, understand and improve the species.

Beam Suntory Consumer Positive

In This Section

- 21 Informed Choices
- 23 Consumer Information
- 24 Lower- and No-ABV Options for Consumers

A Culture of Responsible Consumption

As an alcohol beverage company, we have a core responsibility to ensure the impact we have on society, including our consumers, is positive. As we bring people together and create memories and experiences through our incredible premium brands, it is our priority to do so responsibly. This includes by supporting consumers in making the right choices for their personal well-being and reducing alcohol-related harm.

OUR CONTRIBUTION TO THE SDGS

Working with external consultants, we use the SDGs to help identify priority areas for future activities. We aim to be part of the solution in combating harmful drinking and are advancing industrywide commitments, supporting evidence-based responsibility programs and developing solutions that empower consumers to make educated choices about drinking or not drinking alcohol. We know consumers want choices, and that is why we are also expanding our offerings with lower- and no-ABV innovation and cocktail strategies.



Informed Choices

As a global leader in the spirits industry, responsibly promoting and marketing our products is fundamental – as is being part of the solution in combating harmful drinking.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Invest \$500 million and engage more than 300 million LDA consumers in responsibility-led programming.	2030	2021	-	\$5 million	-	●

● On track ● Off track

Responsibly Promoting and Marketing Our Products is Fundamental

This starts with all of our employees abiding by our [Code of Conduct and Ethics](#) and [Marketing Code of Practice](#), along with industry guidelines like the [Distilled Spirits Council of the United States \(DISCUS\) Code of Responsible Practices](#), which further demonstrates our commitment to the responsible advertising and marketing of our brands.

Our Consumer+ commitments reinforce our long-standing focus on promoting responsible consumption, helping reduce all forms of harmful drinking and promoting content that is designed to appeal to legal-purchasing-age or LDA adults and is never intended to be directed toward or primarily appeal to those under the legally required age. As LDA consumers strive for more mindful lifestyles, we’re developing solutions that empower them to make smart and educated choices.

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.



[Drink Smart](#)® is our global platform for communicating with legal-purchase-age consumers about responsible consumption. Its educational resources help consumers get the facts about how alcohol affects their body, and how to make smart decisions when choosing to drink. The site shares details about calories, sugar, fat and carbohydrates, as well as alcohol content per standard serving, for most brands in our portfolio. DrinkSmart.com is promoted through Beam Suntory’s marketing efforts and is featured on all brand packaging.

Our Collective Commitment to Responsibility and Harm Reduction

As founding members of the [International Alliance for Responsible Drinking \(IARD\)](#), we are joined by other leading global beer, wine and spirits producers in taking action to reduce harmful drinking and raise standards around the world as part of a whole-of-society approach.

Japan

Our parent company, Suntory, is deploying a multi-year “Drink Smart” campaign to encourage moderation in Japan. In 2022, the campaign had a reach of 28 million across diverse platforms, including newspapers, digital media and its own dedicated website.

US

In the US, we’ve leveraged our sports partnerships to display responsibility messaging from Jim Beam, Hornitos and Maker’s Mark in ballparks and arenas across the country. Messaging invited sports fans to drink smart and celebrate responsibility, and reached 500 million consumers.

This includes the target in the World Health Organization’s (WHO) Noncommunicable Diseases (NCD) Global Monitoring Framework of reducing the harmful use of alcohol by at least 10% by 2025 and United Nations SDG 3.5.

As IARD members, we have a long history of working in partnership with others to raise industry standards, including responsible advertising and marketing practices.

IARD has been working with leading digital platforms to prevent minors from seeing alcohol marketing online, including by improving age screening, enabling users to opt out of alcohol marketing and allowing content creators to age-gate posts.

Changes introduced as a result of partnerships with leading digital platforms include:

- Google allowing users to opt out of seeing alcohol advertising across its ecosystem
- Instagram introducing age-gating of posts for influencers
- Snapchat allowing users to opt out of seeing alcohol advertising

IARD also formed a unique partnership with 13 leading global advertising, public relations and influencer agencies to set robust standards for the marketing of alcohol on social channels.

IARD and its members also helped to launch global standards for the online sale and delivery of alcohol in 2021, in partnership with 17 global and regional online retailers and e-commerce and delivery platforms. Its focus was on preventing sales to minors, reducing harmful drinking among adults and helping to ensure alcohol is delivered only to recipients in accordance with local or national laws and regulations.

In 2022, this work continued with the launch of IARD's frontline delivery agent training to prevent the delivery of alcohol to minors and those intoxicated. The new training resource is designed to equip anyone delivering alcohol with tools to deny delivery where necessary, including communication techniques for handling tricky situations.

The James B. Beam Institute for Kentucky Spirits at the University of Kentucky also closely cooperates with the University of Kentucky's Learning Bar, a hands-on, interactive, educational course focused on educating students about the impacts of alcohol on the body and communities, as well as strategies to mitigate the harms of alcohol.

Supporting the Work of Trade Associations and Social Aspect Organizations Around the World

Beam Suntory is a member of a number of trade associations around the world, including DISCUS, the Scotch Whisky

Association and spiritsEUROPE, which advocate on legislative, regulatory and public affairs issues important to the spirits and affiliated industries. They champion sustainability efforts and help underscore our strong commitment to responsibility, joining and leading industry efforts to prevent underage drinking and driving while intoxicated and promoting the responsible consumption of beverage alcohol.

In December, to help educate adult Americans on standard drinks and the need for moderation during the holiday season and beyond, DISCUS launched a new public education campaign – The ABCs of ABVs. The campaign shared facts and information about the Dietary Guidelines and the standard drink through traditional and online media outlets, social media and the website StandardDrinks.org.

We also collaborate with social aspect organizations around the world on evidence-based programs to combat underage drinking and encourage responsible consumption. Through our partnerships and collaboration across our industry, we're working to reduce the harms of alcohol and promoting responsibility and moderation whenever someone elects to consume alcohol.

US

Through our partnership with the Foundation for Advancing Alcohol Responsibility (Responsibility.org), we have supported programs and initiatives that have contributed to a 48% decrease in underage drinking and a 15% decline in drunk driving fatalities in the US since 1991.³ This includes support of their Ask, Listen, Learn program that teaches young people to say no to underage drinking, and guides parents, school counselors and teachers on how to have effective conversations about the risks of underage drinking. These efforts have helped jump-start conversations around these critical issues and allowed parents to play a pivotal role in shaping their kids' attitudes and perceptions of alcohol. Since 2003, conversations among parents and kids have increased 31%, while the prevalence of underage drinking has decreased 53%.

Australia

Our partners at DrinkWise, a social aspect organization, develop proactive and innovative campaigns to educate consumers, providing information and practical tools to help them make responsible choices when drinking. Through its "Always respect, always DrinkWise" campaign, DrinkWise teamed

up with National Rugby League (NRL) stars, New South Wales Police and liquor accords in the lead-up to the State of Origin and NRL Finals series. They aimed to help remind Australians of the importance of always respecting each other and drinking moderately.

Asia

The "Power of No" drink driving public awareness campaign brought together

a large coalition of international, regional and local partners, including governments and NGOs, reaching 40 million legal-drinking-age youth across Southeast Asia. The online campaign featured video clips, infographics, commercial video, website and social media posts that aimed to change the culture around drink driving, normalize responsible drinking habits and empower individuals to say "No" to drink driving.



3 Responsibility.org.

Consumer Information

As part of our commitment to helping LDA consumers make informed choices about alcohol, we made a voluntary commitment in 2018 to disclose nutritional information on both our brand packaging and Drink Smart®.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Provide macro-nutritional and alcohol content information on packaging or online for 100% of our products.	2030	2018	0%	8%,** with 277 stock-keeping units (SKUs) added in 2022	-	●

● On track ● Off track

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.
 ** % of our shipped volume had on-pack nutritional data.

Guiding Principles

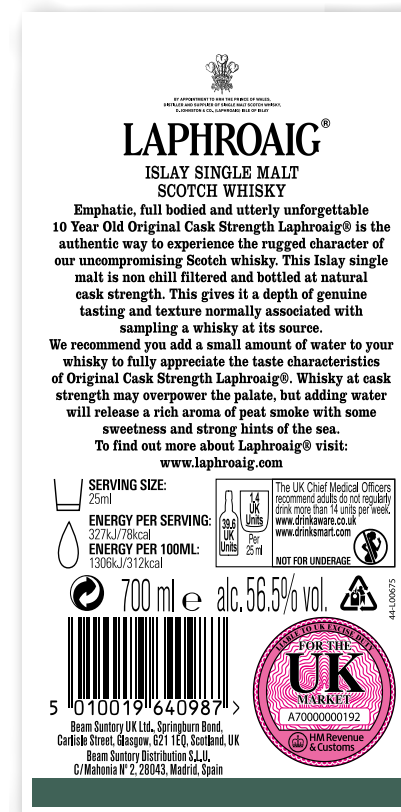
Reflecting on our role as a company that takes responsibility seriously, we made a number of voluntary global commitments in support of IARD's Guiding Principles for Future Actions. This includes providing nutrition and alcohol content, as well as symbols and words that warn against drinking while pregnant, driving while intoxicated and underage consumption.

Drink Smart provides a global platform for us to communicate directly with consumers about responsible consumption and includes details about calories, sugar, fat and carbohydrates, as well as alcohol content per standard serving, for every brand in our portfolio. We continue to expand the available information on the site and have brought in third-party expertise to expedite adding region-specific nutritional information.

Along with being featured on-pack, the website is promoted through our marketing efforts, offering LDA consumers a portfolio of digital tools to help them get the facts about how alcohol affects their body, and how to make smart decisions when choosing to drink.

We continue to add consumer information as packaging redesigns occur across our highest-volume markets and brands, which is where we have the most significant reach. There are some markets where we are unable to modify the labels due to regulatory restrictions.

In 2022, we added the information to an additional 277 SKUs. 8% of our shipped volume has updated labels, which we aim to increase to 21% for 9L cases in 2023.



Lower- and No-ABV Options for Consumers

We are expanding our portfolio with new lower- and no-ABV products and cocktail recipes that allow consumers to participate in each consumption occasion in a way that meets their lifestyle preferences.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Develop, introduce and build awareness of lower- and no-ABV products and cocktail recipes across key categories.	2030	2021	0	2 new innovations	4	●

● On track ● Off track

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.



Suntory ALL-FREE

In select US markets, we introduced Suntory ALL-FREE, a no-alcohol beer alternative, made with Japanese craftsmanship from

quality ingredients. Already available in Japan, as we introduced the brand in the US, it was spotlighted in a digital ad campaign in partnership with four lifestyle influencers, driving engagement with 102,000 total clicks and an overall click-through rate of 1.63%.



Sipsmith® FreeGlider

Our first non-alcoholic spirit in the UK, Sipsmith®'s FreeGlider was introduced in 2021. Sporting refreshing eucalyptus flavor with spicy juniper

undertones, the 0.5%-ABV option doesn't compromise on quality or flavor.



Jim Beam® Bourbon Sprizz

In Germany, we launched Jim Beam® Bourbon Sprizz. At 3% ABV, Bourbon Sprizz is our first Bourbon-

based Ready-to-Drink range in the lower-alcohol segment with a portfolio of three fruit flavors – Red Summer Berries, Juicy Apple and Sunny Peach.



Lemon Sour Zero/Non-aru-banshaku

Lemon Sour Zero, which launched in Japan in 2021, serves up the authentic lemon-sour taste with

concentrated shochu-derived umami as a non-alcoholic extract.



Beam Suntory Community Positive

In This Section

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Fostering a Spirit of Inclusion

As a global company with iconic brands that bring people together, we believe in the power of unity through diversity. We're on a journey to build a more inclusive and equitable enterprise in which everyone can thrive and offer fresh perspectives that will move us forward, while supporting and enriching our local communities around the world.

OUR CONTRIBUTION TO THE SDGS

We use the SDGs to help identify priority areas for future activities, including promoting gender equity globally in our business, increasing US racially and ethnically diverse representation, supporting minority suppliers and businesses, and helping local communities thrive.



Our People

Guided by our values, we are fostering a diverse, equitable and inclusive (DEI) company that enables progressive and inclusive work environments where our people’s unique insights, experiences and backgrounds are truly valued and respected.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Achieve 50% women in leadership positions globally.	2030	2020	33.2%	0.9% increase	+3.6%	●
Build a US workforce that reflects the diversity of the communities where we live and work.	2030	2020	15.9%	1.5% increase	+3.4%	●
Strive to achieve an industry-leading Sense of Belonging companywide (>80-point Glint score).		2020	77	77	0 points	●

● On track ● Off track

Creating an Equitable Employee Experience

DEI is a long-term commitment for us.

We know that our company and our brands are stronger through our diversity. Not only do we want to create an internal environment where our people can succeed, but we also want to ensure our teams are diverse and reflect our consumers and the communities where we live and work. Through greater cultural intelligence, empathy and a work environment that allows our people to freely share their experiences, ideas and points of view, we know we can continue strengthening our understanding and connections with our consumers.

Our global approach to DEI is organized into three areas:

- **Workforce (Diversity & Equity)**
- **Workplace (Inclusion, Belonging & Engagement)**
- **Marketplace (Consumers, Suppliers & Community)**

We are focused on increasing representation across the spectrum of diversity, committed to identifying and removing barriers that hold our people back, and supporting economic inclusion within our communities.

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.

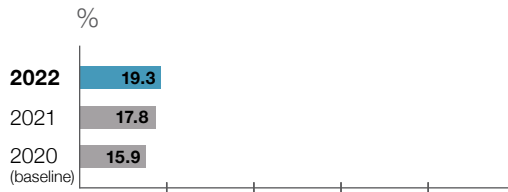


In 2023, we launched the **Suntory Leadership Spirit**, a new set of company behaviors that will help us equitably measure the “How” of employee performance against our goals, which are the “What” driving us forward.

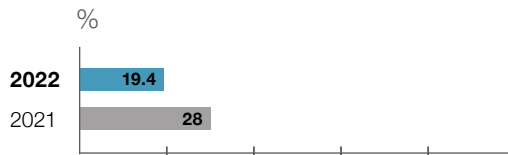
See page 6 for more.

Workforce

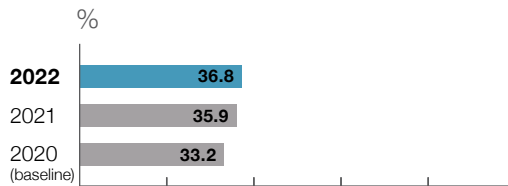
Racial/Ethnic Representation (US)*



Racial/Ethnic New Hire Rate (US)*



Women in Leadership, Senior Director and Above



Global Pay Equity Study

We conducted our second voluntary pay equity study, with the help of an external consultant, to understand whether pay disparities or gaps exist in how we compensate our employees.

Overall, findings showed that we adhere to strong compensation practices and governance and confirmed that our employees are compensated fairly with pay decisions based on performance.

The momentum we have is positive, and we are proud of the fair and equitable pay practices we have embedded across our business.

Our global study was in addition to our annual Gender Pay Gap Report for our UK operations, which showed that though there remains work to do, as a direct result of the policies and initiatives we've put into place, key metrics have improved.

[See Gender Pay Gap Report 2021.](#)

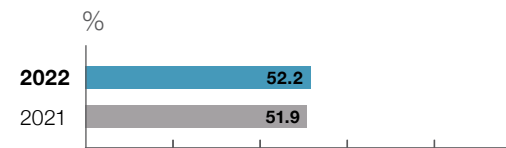
People Data Assessment

We performed an independent assessment of our people data and practices, from recruitment to performance management and retention, measuring progress against our DEI ambitions. With the findings, we disaggregated data by employee cohort and identified opportunities across three principal areas: talent acquisition, talent management and retention.

We are now designing a three-year, data-driven strategic roadmap with realistic and obtainable short-term goals. This includes increasing current female representation by 13% for our senior leadership positions and US racially and ethnically diverse representation by 8% by 2025.

Together, leaders across our organization are accountable for achieving these goals. In fact, all people managers are required to have a DEI goal in their personal objectives, weighted at 10%, recorded in our performance management system and managed through our Annual Incentive Plan.

Female new hire rate



Women in Leadership and Inclusive Leadership Programs

In 2022, our International region continued the successful Women in Leadership program, with 23 female leaders participating from 11 countries. This six-month course is designed to strengthen leadership capabilities, build interpersonal skills and provided a platform for emerging female leaders to network with peers, mentors and other senior leaders. We had 23 female leaders participate across 11 countries.

We also launched a new Women in Leadership development program in partnership with Suntory, with six leaders from our Asia-Pacific (APAC) region participating in the program's first year.

We also extended our Inclusive Leadership training program to 119 senior leaders across the organization. This program aims to help our leaders develop capabilities

and competencies to lead and support an inclusive workplace.

Across our International and APAC regions, we also offer training opportunities to people managers to further build and embed inclusive leadership capabilities.

Mentorship

We expanded our global mentorship program and had 72 mentor/mentee pairings, vs. 20 in 2021. The goal of the program is to facilitate a collaborative learning environment and knowledge sharing between mentors and mentees. By tapping into each leader's knowledge, skills and experience, the program is leading to key growth and development opportunities for employees. In addition, mentors and mentees have access to regular learning and development sessions, networking opportunities, celebration events and health checks.



* Salaried and hourly workforce.

Fueling a Sense of Belonging

We know that having engaged employees is key to achieving our goals. We measure this through regular engagement pulse surveys, from which we gather insights and benchmark progress on key measures such as employee happiness, satisfaction and sense of belonging. Managers can then take informed action with their teams to create an even better employee experience.

In 2022, we issued two engagement pulse surveys, focused on benchmarking engagement questions and key topic areas like DEI, Barriers to Execution, Decision-Making, Empowerment, Communication, Change Management, Development and Well-Being/Burnout/Balance.

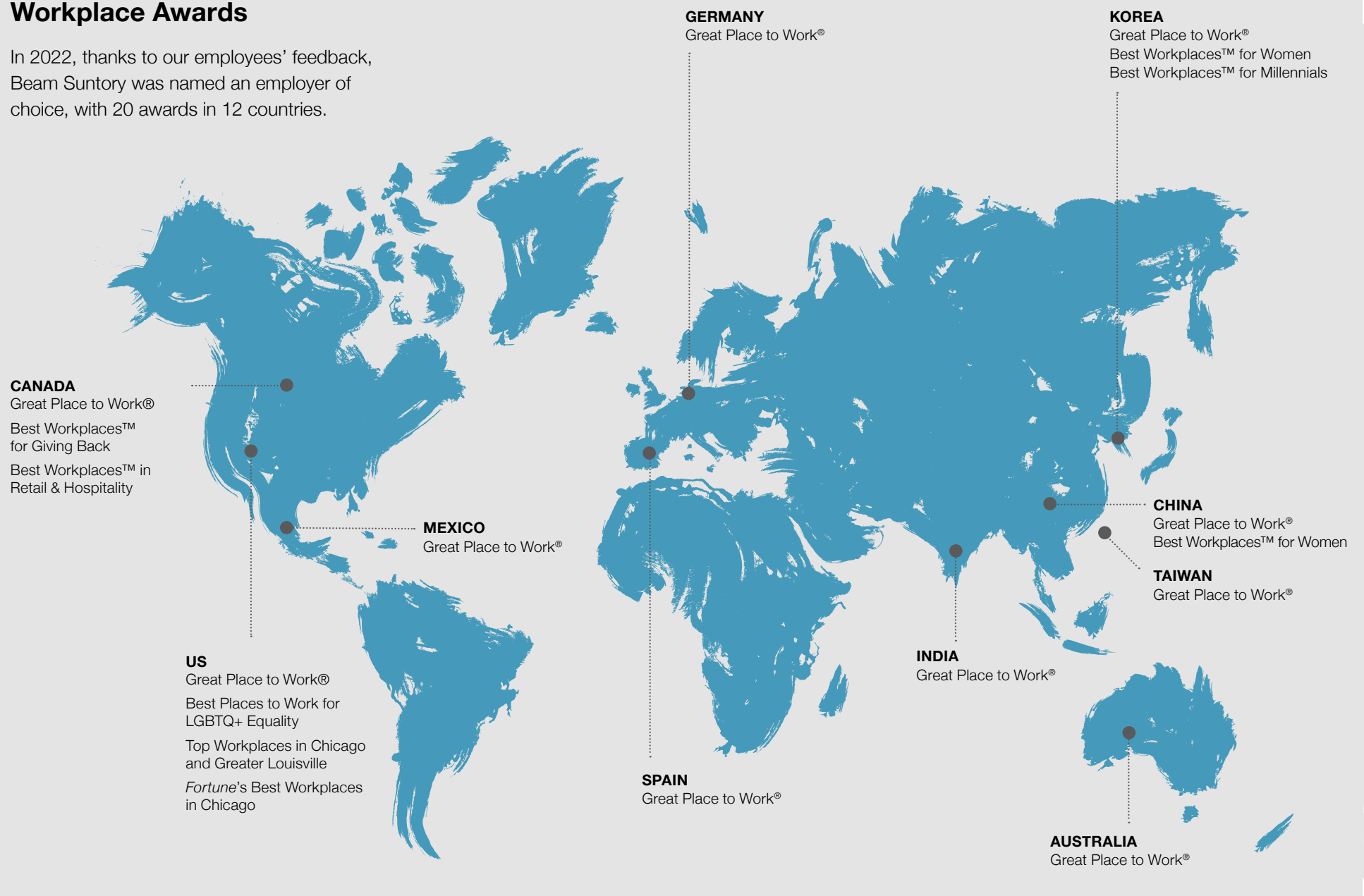
- We saw high participation in both surveys: 86% in April and 89% in October.
- With 80 and 79 engagement scores between the two surveys, we are in the top 15% of all companies in Glint's database, indicating that we have a highly engaged workforce.
- Sense of Belonging was also 77 in April. While strong, we identified employee cohorts that we could strengthen their feeling of a true sense that they belong.

Sense of Belonging



Workplace Awards

In 2022, thanks to our employees' feedback, Beam Suntory was named an employer of choice, with 20 awards in 12 countries.




Employee Impact Groups & Ally Networks

Championing an Inclusive Culture From Within

Our Employee Impact Groups (EIGs) and ally networks, representing underrepresented and marginalized communities across different dimensions of diversity including race, gender, sexual orientation, disability, age and military status, help drive inclusivity.

These employee-led groups are fostering a sense of belonging, inspiring important conversations, bringing new ways to look at issues and driving innovation across our business. Since 2021, we have seen our ally networks and EIGs grow, with EIG membership up 30% and our ally network up 50%.


Beam Vets
(Veteran employees + allies)

2022 Highlight: Hosted a Veteran celebration/benefits overview event at the James B. Beam Distilling Co., welcoming hundreds of Beam Suntory and local military veterans




BOLD
(Black employees + allies)

2022 Highlight: Hosted 7 BOLD Talks, including an educational forum on racial equity and the relationship between race, economics and the workplace, with more than 160 employees




Harmony
(Asian employees + allies)

2022 Highlight: Hosted 8 educational forums across cultural holidays and moments, with 3 sessions focused on exploring intersectionality and more than 50 employees in attendance at each event




PRISM
(LGBTQ+ employees + allies)

2022 Highlight: Launched a quarterly newsletter focused on celebrating intersectionality within the LGBTQ+ community and sharing stories, news and spotlights impacting the community, with 16 issues to date



iSalud!
(Hispanic & Latinx employees + allies)

2022 Highlight: Provided cultural insights to more than 30 brand campaigns and initiatives



WISE
(Women employees + allies)

2022 Highlight: Hosted two educational forums focused on Intersectionality in recognition of International Women’s Day




Cultural & Racial Awareness
(ally network)

2022 Highlight: Hosted six educational sessions focused on building cultural awareness and understanding with more than 700 employees attending



Gender Equity
(ally network)

2022 Highlight: Hosted more than 350 employees globally for International Women’s Day event, with speakers sharing stories of allyship, inclusion and empowerment



Mental Fitness
(ally network)

2022 Highlight: Partnered with The Energy Project to train 50 leaders and employees through its PeopleFuel and LeaderFuel programs focused on building skills to manage the energy they bring to their work and lives



Generational Awareness
(ally network)

2022 Highlight: Created a digital resource for all employees to help educate and build awareness of generational diversity



LGBTQI+
(ally network)

2022 Highlight: Hosted more than 350 employees at annual International Pride Month event



Diversability
(ally network)

2022 Highlight: Hosted two educational sessions with topics focused on accessibility and inclusion for people living with disabilities, with more than 200 employees attending

International Allyship Forum

In our International region, our DEI champions continue to drive inclusivity through regular educational forums and events aimed at building awareness and understanding with employees around important concepts and topics, including generational awareness, mental fitness, disability, cultural diversity and gender equity.

Champions also rolled out a regular educational forum focused on DEI-focused concepts and topics, including privilege, equity, unconscious bias and microaggressions. In 2022, 1,115 employees participated in this forum, with the first module receiving high satisfaction scores in the post-event employee survey.



We believe connecting our EIG leadership with our executive and senior leadership teams on a regular basis is essential. We've introduced quarterly meetings between them, which are resulting in energizing conversations and discussions around EIG strategies, challenges and opportunities. Through these sessions, each EIG was able to align with Executive Sponsors from the Executive Leadership Team and Senior Leadership Team.

Throughout 2022, the groups hosted more than 10 cross-EIG educational forums, focused on intersectionality and sharing experiences of those who identify in two or more marginalized or underrepresented communities. We also launched an initiative to help consolidate and automate membership management, allowing greater visibility and the ability to better track impact in 2023.

Promoting Mental Health and Well-Being

As we strive to build an even more inclusive culture, we are focusing on our responsibility to support the mental health and overall well-being of our employees.

In 2022, we introduced a 60/40 hybrid work policy, affording our office-based employees with the inherent flexibility they need to balance work and life, while allowing us to stay true to who we are as a business – one that is Gemba-focused and relationship-based – and brings people together.

We also made several benefit enhancements to provide further support to our employees, including:

- Providing paid time off for pregnancy loss and failed surrogacy, adoption, and fertility treatments through our global bereavement policy. Offering cosmetic services for gender-affirming surgery through our updated medical plan offerings in the US.
- Providing market-leading family planning and new parent services to US employees through Carrot, available to everyone regardless of age, gender identity, sexual orientation or medical condition. Through this benefit, employees also have access to family forming education resources, virtual chats with physicians, medication savings and holistic pregnancy support.
- Giving eligible US employees access to Milk Stork®, a shipping service that offers breastfeeding parents the opportunity to get breast milk at home whenever they are traveling for work.

We continue to provide all eligible employees globally with six months paid leave for primary caregivers upon the birth or adoption of a child.

All employees have access to our Employee Assistance Program, which provides free and confidential assessments, immediate counseling and coaching services. Employees also have two paid personal care days to take a mental break whenever they need it. These are in addition to the three Beam Suntory Cares Days available to eligible employees to take paid time off to volunteer with their colleagues, or simply support the causes they care about.



Our Industry

By establishing a robust supplier diversity program and partnering across our industry, we will support economic inclusion within our communities and invest in developing the beverage industry professionals of the future.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Build a Supplier Diversity strategy and 2030 roadmap.	2023	2021	--	Complete	Complete	●

● On track ● Off track ● Complete

We launched our first supplier diversity program, aimed at fueling growth and impact by creating economic opportunities for diverse suppliers through our business and our brands.

Fostering Economic Inclusion

We know that a diverse supplier base enables us to tap into new perspectives and sources of innovation that give us a competitive advantage. It also ensures our suppliers reflect our consumers, customers and the communities where we live and work.

In 2022, we launched our supplier diversity program – our focused commitment to economic inclusion. The purpose of this program is to fuel growth and impact by creating economic opportunities for diverse suppliers through our business and our brands.

Through extensive benchmarking and leveraging supplier diversity best practices, we established a global strategy with a 2030 roadmap and an internal framework that will embed equity and inclusion into how we do business.



Our supplier diversity program has three strategic priorities:

- Achieving or exceeding industry standard of 10% diverse spend by 2030**
- Maximizing participation and utilization of diverse-owned businesses**
- Driving positive economic impact in the communities where we live and work**

In support of these efforts, and to enable our employees to make more-inclusive buying decisions, we are introducing enterprisewide onboarding tools and have embedded supplier diversity guiding principles and procedures within our global procurement policy, and implemented policy training for all employees.

In 2022, we established partnerships with five external organizations, joining a network of thousands of certified, diverse-owned companies that will help us develop a diverse ecosystem of suppliers. Through these partnerships, we are part of a network dedicated to helping advance marginalized and underrepresented groups, including:

- **Disability:** [IN Disability Inclusion](#)
- **NGLCC:** [National LGBT Chamber of Commerce](#)
- **NMSDC:** [National Minority Supplier Development Council](#)
- **NVBDC:** [National Veteran Business Development Council](#)
- **WBENC:** [Women’s Business Enterprise National Council](#)

* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.

Advancing Equity in Our Industry

NextUp

As partners of NextUp (formerly known as the Network of Executive Women), we are identifying the tools we need to build a workplace that represents a more diverse workforce. In 2022, our fifth year as a NextUp partner, we counted 225 Beam Suntory team members as part of the network in the US and Canada. Our members have attended over 221 events (both in person and virtual), and 58 leaders have participated in formal NextUp learning and development programs.

The Blend

The Blend is a global community and resource for hospitality professionals at all

stages of their careers, including classes, articles, videos and more, presented by some of the best and brightest of our industry from all over the world.

In its second year, The Blend's Refire is a live speaker series that takes on the issues and concerns currently facing the hospitality community by bringing fresh ideas and perspectives. Refire exemplifies The Blend's commitment to DEI and building a more inclusive and compassionate future for the trade by inspiring strategies, solutions and actionable change.

DISCUS/Pronghorn Partnership

In 2022, we partnered with DISCUS members and Pronghorn on an initiative to identify qualified candidates from within the Black community to fill positions from internships to the executive level in the

distilled spirits industry and associated roles. This partnership aims to help increase hiring from within the Black community among leading spirits suppliers.

Our Chief Diversity & Inclusion Officer also serves as Vice Chair of DISCUS' Diversity, Equity and Inclusion Committee to identify and define both immediate and long-term actions that DISCUS member companies will lead as the industry continues to elevate and enhance efforts to build more diverse, equitable and inclusive opportunities and career paths, both now and for the next generation of spirits industry professionals.

STEPUP Foundation

In 2022, we joined the STEPUP Foundation, a diversity initiative that aims to provide underserved and underrepresented individuals with training, encouragement and opportunities to enter the craft spirits community through a comprehensive year-long, immersive internship program. Now in its second year, STEPUP will continue to engage diverse applicants with an interest in the beverage sector and help those of different races, color, national origins, genders, disabilities and sexual orientations to acquire the skills and experience they need to succeed in the industry.



Championing Research-Based Programs

In 2019, we established the James B. Beam Institute for Kentucky Spirits at the University of Kentucky, educating the next generation of distillers and advancing the Bourbon industry through workforce programming, scientific discovery, industry partnerships and sustainability initiatives.

Through this partnership, we are also supporting the development of both current and future beverage industry professionals. For example, the Institute partnered

with the James B. Beam Distilling Co. to establish the James B. Beam Whiskey Apprenticeship program, a first-of-its-kind, premier Whiskey educational program certified by the Kentucky Education and Labor Cabinet. The Whiskey Apprenticeship includes 200 hours of customized technical educational courses for James B. Beam Distilling Co. operators. Apprentices benefit from a robust curriculum that includes safety, Bourbon grains, Bourbon engineering, fermentation, public speaking, customer relations, sensory, maturation and distillery science.



Our Community

Giving back to our communities is part of our DNA. Through company-, brand- and employee-led efforts, we're supporting resilient and equitable communities. We're making financial contributions to trusted organizations doing important work around the world, as well as donating our time and skills to make a positive difference.

Goals*	Target Year	Baseline Year	Baseline Data	2022 Progress vs. 2021	2022 Progress vs. Baseline	Status
Give back one million volunteer hours to the communities where we live and work.	2030	2021	6,633	12,260 Volunteer hours	18,893 Total volunteer hours	●

● On track ● Off track

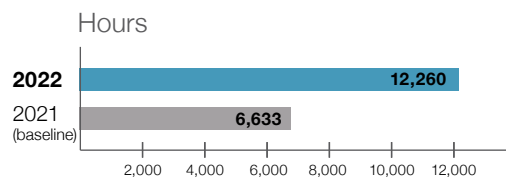
Giving Time, Sharing Expertise

Volunteering to support good causes or engaging in social activism is an important way our people give back to their communities.

Eligible employees are offered three Beam Suntory Cares Days a year to take paid time off to volunteer or engage in social activism. Several members of our Harmony EIG used their Beam Suntory Cares Day to honor Asian and Pacific Islander voices and friendship with the Japanese American Cultural & Community Center in Los Angeles by participating in a community cleanup called Little Tokyo Sparkle that supported local Asian businesses, including our on-premise customers.

Through our 4Good platform, we track volunteer time and offer new volunteering opportunities. In 2022, we donated 12,260 hours to our communities, with a large portion of our time donated through our annual global service event, Together for Good.

Volunteer



We held our third annual Together for Good In April and May. **1,000+ employees** across 12 countries volunteered **4,700+ hours** in a range of community-serving activities, including:

- Planting trees and performing conservation work in community parks
- Cleaning rubbish from parks, shorelines and waterways
- Supporting food banks
- Working with people with intellectual disabilities

Giving Back to Society

Around the world, we're raising funds for organizations doing important work to support the communities where we live and work, including through a one-to-one match of employee donations in the US.

In 2022, we donated more than \$2.5 million to community efforts and organizations focused on social justice, economic inclusion, arts and culture, environmental conservation, and crisis and disaster relief.



* These highlights reflect Legacy Beam operations, excluding Suntory Spirits Limited.

Supporting Disaster Relief

We are committed to supporting our people and our neighbors during times of crisis and natural disaster.

After devastating flooding hit Eastern Kentucky in August 2022, we donated \$100,000 to support humanitarian relief efforts in Eastern Kentucky, with our funding supporting three partner organizations – the American Red Cross, Feeding America –

Kentucky’s Heartland, and the Team Eastern Kentucky Flood Relief Fund set up by the state of Kentucky. We also donated \$100,000 to support the humanitarian crisis in Ukraine with funds divided between the American Red Cross supporting the global Red Cross network and the International Rescue Committee (IRC), organizations that provided shelter, food and medicine to those in need in the region.



Brand-Led Community Contributions and Partnerships

Maison Courvoisier™ Celebrates Black and Minority-Owned Flower Shops

Maison Courvoisier’s Holidays in Blossom program highlighted minority-owned flower shops during the 2022 holiday season. The florists, which spanned 13 US markets, were identified in partnership with the National Urban League chapters. The shops created special “Cognac in Blossom” bouquets, which were made available for purchase online. All proceeds from bouquet sales went directly back to the participating small businesses, with Courvoisier also donating funds to the National Urban League in support of their Entrepreneurship Center programming. The effort is part of the brand’s philanthropic platform, Foundation 1828™, and its multi-year partnership with the National Urban League, formed in 2020 with a commitment to donate \$1 million over five years to aid Black and minority small business owners and entrepreneurs in the US.

Gin for a Good Cause

In September 2022, Sipsmith® released Very Berry Gin, an expertly hand-crafted gin designed to celebrate the diversity and bounty of British hedgerows. In partnership with 1% for the Planet®, Sipsmith® pledged 1% of sales from all bottles of Very Berry Gin to The Felix Project, which rescues good food that cannot be sold and delivers it to charities serving those in need. This contribution provided 45,000 meals for Londoners in need, and in turn, diverted 18.9 tonnes of food from waste.

Partnering With Island Spirit

The Cruzan Rum team created the Island Spirit Fund to aid in disaster relief in the US Virgin Islands and across the US. This relief includes support in replanting trees, which are a crucial line of defense in the fight against climate change and so often swept away by natural disasters.

In 2022, the fund enabled the planting of 6,812 trees by Protectores de Cuencas in Puerto Rico. Throughout the year, they also grew and nurtured 12,000 native seedlings in their nursery to reforest parts of the island impacted by extreme weather events.

Island Spirit Fund Impact 2022



\$5M raised to date



9 nonprofit partners



6,812 trees planted



22,747 hours of volunteer or paid work enabled



863 clients served



467 homes constructed or repaired

Giving Back to Sipsmith®'s Community



Reflecting on our progress during 2022, Sam Galsworthy recently noted that, “I recall how daunting the size of the task seemed when we embarked on our B Corp journey, so it is encouraging to see how far we have come. The future looks even more promising as we set our long-term goal of being the Best Gin in the World, for the World.” Here are some examples of how we gave back to our community in 2022.

VOLUNTEERING

We are proud that London is our home, and in 2022, we continued to support our local communities and charities through our volunteering programme.

439

TOTAL NUMBER OF VOLUNTEERING HOURS IN 2022

18.67%

INCREASE IN VOLUNTEERING HOURS FROM 2021

In February, a team of 13 staff supported the local wildlife on World Wetlands Day by volunteering at the London Wetlands Centre in Barnes. Another team of 11 volunteered in May, enthusiastically getting their hands on some wetland conservation work, coppicing trees and repairing boardwalks, among other things.

The Felix Project also hosted several team volunteering days, when 31 staff once again helped distribute surplus food to Londoners in need.



FUNDRAISING

In 2022, we joined 1% for the Planet, becoming a part of the global network of businesses, individuals and environmental partners tackling our planet’s most pressing environmental issues. Under our membership, we donated 1% of the profits from our Very Berry Gin, which was our Winter liquid in 2022.



FOR THE PLANET

45,000

MEALS DISTRIBUTED TO LONDONERS IN NEED

£10,000

DONATED TO THE FELIX PROJECT

18.9

TONNES OF FOOD WASTE DIVERTED

BAR OF SMITHERY

Building on the Bar of Smithery launch in 2021, our US ambassadors delivered Smithery events in their markets during 2022. They included a partnership with Tiki Fests in New Jersey and Los Angeles, where bartenders were challenged to work in teams to produce a garnished Tiki cocktail. Once they had finished their cocktails, the teams weighed all the leftover fruit used for garnishes to show how much waste food would be thrown away and everyone was surprised by the results.





Beam Suntory Doing Business the Right Way

In This Section

37 Operating With Integrity

Doing Business the Right Way

We are committed to adhering to the highest standards of behavior and ethical business practices. Our license to operate and our corporate success depend on building trust and maintaining our reputation with our employees, suppliers, owners and within the communities where we live and work.

Operating With Integrity

Trust is central to our business. Our governance efforts are guided by a robust set of policies and practices underpinned by annual incentives for our leaders and teams.

Our Approach

Our Proof Positive strategy is underpinned by our values and rooted in strict policies and standards, including:

- [Code of Conduct and Ethics](#)
- [Supplier Code of Conduct and Ethics](#)
- [Global Citizenship Policy](#)
- [Marketing Code of Practice](#)
- [Distilled Spirits Council of the United States \(DISCUS\) Code of Responsible Practices](#)
- Anti-Harassment Policy
- Global Procurement Policy
- Global Gifts and Hospitalities Policy

All employees are ambassadors of our reputation and are empowered to take an active role in detecting and preventing misconduct.

Annual Incentive Plan

We included Proof Positive sustainability metrics in the Annual Incentive Plan for the first time in 2022 to hold our leaders and people accountable for driving our goals. The goals will rotate annually.

For 2022, we included water reduction and DEI goals, each weighted at 10%. These included:

- Exceeding our operational water conservation targets and reducing water consumption in our offices
- All people managers having a specific and measurable DEI goal in their personal objectives

We exceeded our operational water conservation targets, but did not meet our DEI metric. In 2023, we will require all people leaders to set measurable DEI goals in their personal objectives and are committed to holding our leaders accountable to setting meaningful and achievable goals.

Equity and Human Rights

In line with [the Suntory Group Human Rights Policy](#) established in 2019, and Beam Suntory's [Global Citizenship Policy](#), we promote initiatives to protect the human rights of all people across our value chain. Our responsible sourcing strategy aims to manage both reputational and actualized risks, and we continually take action to ensure we are aligned to the highest standard of labor rights, health and safety, and environmental guidance.

In our operations, as outlined in our [Equal Employment Opportunity Statement](#), we base all recruitment decisions on an applicant's skills and experience.

We report on our commitment to fair and equitable pay practices in our [UK Gender Pay Gap Report](#).

We outline clear expectations of our sustainability objectives to our suppliers and are committed to proactively providing feedback, including on corrective actions, to guard against potential risk and improve working conditions. Using Supplier Ethical Data Exchange (Sedex) supplier audit questions and ethical trade audits, we evaluate our suppliers annually, focusing on human rights issues such as child labor and forced labor, as well as considerations around workplace safety and environment protection.



In 2022, we developed a more comprehensive view of Corporate Social Responsibility (CSR) and sustainability risk categorization, including 25 key global metrics for CSR, sustainability, regulatory and compliance-based risks. We also designed a decision tree for supplier approval that includes these global metrics, as well as Sedex engagement requests, Self-Assessment Questionnaire (SAQ) and SMETA audits for high-risk suppliers.

In 2023, we are implementing plans to address suppliers deemed “high risk” based on results from the required SMETA audit process. This will help suppliers increase management control scores in Sedex or when requesting the SMETA audit. With the audit results, suppliers develop corrective action plans when needed, with the expectation that any areas of non-compliance are addressed and/or resolved within six months after they are reported.

We will continue to prioritize this work to benchmark with industry best practice and expand or enhance the scope of our human rights due diligence activities over time.

Health and Safety

We have a global “Zero Harm” vision and an uncompromising commitment to the health and safety of our employees, contractors, customers and communities.

We provide our employees with a safe working environment and take all reasonable steps, including training, to minimize accidents and injuries at work. A certified, robust safety management system monitors performance and drives continuous improvement.

We’re proud to report that by the end of 2022, our performance in two key metrics was well above the average in our sector. Our relentless focus on eliminating high-risk hazards within our business has resulted in a world-class serious injury frequency rate (SIFR) of 0.00. This is the third time we have achieved this in four years.

Total Recordable Incident Rate⁴

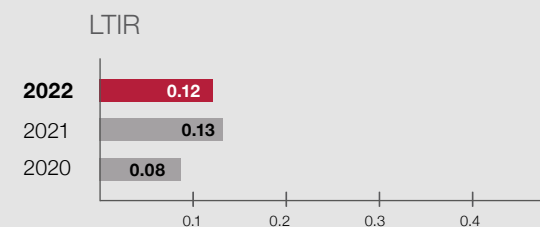


50% reduction since 2016 baseline



6x better than industry average

Lost Time Incident Rate⁵



85% reduction since 2016 baseline



15x better than industry average



⁴ Source: United States Department of Labor (2021) “Injuries, Illnesses, and Fatalities (IIF),” US Bureau of Labor Statistics.

⁵ Ibid.



Learn more at: www.beamsuntory.com

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