

SUNTORY AND BEAM SUNTORY ANNOUNCE MAJOR COMMITMENT TO RESTORE AND CONSERVE PEATLANDS & CONSERVE WATERSHEDS IN SCOTLAND

- *Beam Suntory, the maker of Teacher's® , Laphroaig® and Bowmore® Scotch whiskies, and its parent company, Suntory Holdings, announce the launch of a new Peatland Water Sanctuary™ initiative.*
- *The first project is due to begin at Ardmore distillery in November 2021, followed by subsequent projects at other sites across Scotland.*
- *The initiative aligns closely with the shared sustainability commitments of both Suntory and Beam Suntory, and will ensure the long-term sustainability of whisky production in Scotland.*

25 October 2021 - Suntory Holdings and Beam Suntory are jointly launching a new Peatland Water Sanctuary™ initiative, a large-scale series of peatland restoration and conservation and watershed conservation projects in Scotland. These projects represent a significant expansion of Suntory and Beam Suntory's already pioneering leadership in watershed protection, following their establishment of significant Natural Water Sanctuaries in both Japan and the US. **The companies plan to invest more than \$4 million in the restoration and conservation of 1,300 hectares of peatlands by 2030, enough to produce the same amount of peat that Beam Suntory harvests every year in making its Scotch whiskies on an ongoing basis. Once restored and conserved, peatland naturally accumulates by 1mm per year, and that 1mm growth spread across 1,300 hectares will equate to Beam Suntory's annual use. Suntory and Beam Suntory will also undertake new watershed conservation projects at various locations in Scotland. The first Peatland Water Sanctuary™ project is due to begin near the Ardmore distillery in November 2021, with subsequent projects across other sites in Scotland to follow in the coming years.**

"The Peatland Water Sanctuary™ initiative is inspired by Suntory's [Mizu to Ikiru](#) ("Living with Water") promise, which is underpinned by our mission to create harmony with people and nature. We believe that water flowing through peatlands is suited for whisky production and by restoring and conserving peatlands we hope to not only contribute to preserving whisky production as an indispensable part of Scotland's culture, but also fulfil our responsibility as a company that relies on the blessings of nature and water," said Tak Niinami, CEO of Suntory Holdings.

Initial works to restore and conserve peatland near the Ardmore distillery are due to commence in November 2021. In the first phase, nearly 15 hectares of peatland in the Ardmore Knockandy Hill north side slope will be restored, with more to follow in 2022. Restoration will also potentially include Malsach Burn

Valley as early as 2022. This initial restoration project at Ardmore will be undertaken in partnership with the James Hutton Institute, who are assisting with the research, planning, and execution of the restoration, and Forestry and Land Scotland, which owns the land.

The Ardmore project will be the first in a long-term programme of peatland restoration and conservation and watershed conservation projects which Suntory and Beam Suntory will undertake across Scotland. These projects are expected to launch before 2030. Initial assessments for new projects are already underway on Islay, where Beam Suntory's Bowmore and Laphroaig distilleries are located, and surveys on potential watershed activities near Beam Suntory's Auchentoshan and Glen Garioch distilleries are also being planned. Detail on these projects will be announced in due course.

Beyond this 2030 ambition, the long-term aim of the Peatland Water Sanctuary™ initiative is for Suntory and Beam Suntory to have restored sufficient peatlands by 2040 to equate to twice the volume of peat that Beam Suntory harvests to make its Scotch whiskies. Although Scotch whisky production as a whole accounts for less than 1% of Scotland's peat use, and Beam Suntory's Scotch production accounts for part of that 1%, both companies share the industry's commitment to ensuring their use of peat is sustainable and to making a positive impact on Scotland's environment more broadly.

The Peatland Water Sanctuary™ initiative aligns with the [Suntory Group Sustainability Vision](#) and Beam Suntory's ambitious [Proof Positive](#) sustainability strategy, as well as the Scotch Whisky Association's environmental commitments. In addition to the long-term positive impact of peatland and watershed restoration and conservation on water retention and quality, the work will also support carbon sequestration and biodiversity in the local area, helping to maintain and protect the important role of peatland ecosystems in Scotland's natural environment.

David Hunter, Chief Supply Chain Officer, Beam Suntory commented: "As part of our Proof Positive sustainability strategy, we believe it's our responsibility to make a positive impact on the environment in which we operate, which is why we are committing to restoring and conserving as much peat as we harvest by 2030, as well as conserving crucial watersheds across Scotland. By protecting peatlands and preserving local watersheds, we will also help to enhance and ensure the production of the highest quality whisky in Scotland for future generations."

Professor Colin Campbell, Chief Executive of the James Hutton Institute, said: "We are pleased to be working alongside Suntory, Beam Suntory and Forestry and Land Scotland on this vital initiative to help restore and protect one of Scotland's most iconic habitats. Healthy peatlands help build resilience into our

water supplies and restoring them allows nature to recover from the impact of climate change and promotes long-term carbon sequestration.

“These natural assets are essential for sustaining one of Scotland’s most important industries, and it is truly a pleasure to work with partners who have such a well-developed philosophy around the protection of our natural environment.”

Simon Hodgson, Forestry and Land Scotland Chief Executive, said: “We are pleased to be working with Suntory, Beam Suntory and the James Hutton Institute on such a forward-looking conservation programme. It is a great example of how business and land management organisations can work together and is a welcome addition to our growing suite of corporate partnerships.”

Notes to Editors:

- It is estimated that an active peatland that is kept in good condition can accumulate 1mm of peat per year. Based on this estimation, we calculated that if we restore and conserve 1,300 hectares of peatlands, we will be able to naturally accumulate the same amount of peat we use each year for our whisky production. This means we would be ensuring that the peatland we use is sustainably managed – balancing peat use with peat creation.
- 1,300 hectares is equivalent to approximately 1,820 football pitches.
- Further information about Suntory’s promise to its stakeholders Mizu to Ikiru (“Living with Water”) and its mission to create harmony with people and nature can be accessed [HERE](#)
- More information about Beam Suntory’s Proof Positive commitments can be accessed [HERE](#)
- Previous examples of Suntory and Beam Suntory’s work to conserve watersheds and other natural environments around the world can be accessed [HERE](#) and [HERE](#).
- We are proud that the Peatland Water Sanctuary™ initiative will support and complement several ambitious long-term sustainability goals set out by the Scotch whisky industry and the Scottish Government:
 - The [Scotch Whisky Industry Sustainability Strategy 2040](#) includes an ambition for the industry to play an active role in conserving and restoring Scotland’s peatland by 2035. The Scotch Whisky industry represents just 1% of the total peat extracted in the UK, yet the industry is determined to play a key role in restoring this vital carbon sink. A Peat Action Plan will be developed that will outline how our industry will deliver environmental net gain and will support the International Union for the Conservation of Nature (IUCN) UK Peatland Strategy 2040. The Beam Suntory/Suntory Peatland Water Sanctuary™ initiative will deliver ahead of this industry target.

- Likewise, the Scotch Whisky Industry Sustainability Strategy 2040 has set ambitious targets to reduce water use across the industry and the SWA will also develop a Whisky Water Stewardship Standard which will go beyond reducing the amount of water we use and consider wider catchment issues, including water quality, biodiversity, morphology of rivers and lakes, and responding to a changing climate. The SWA will do this through collaboration, working together with partners and other water users.
- The Scottish Government has also committed in its Climate Change Plan and the current Programme for Government to restore 250,000 hectares of degraded peatland by 2030, with an annual target of 20,000 hectares. It has committed a £250 million ten-year funding package to support this peatland restoration target but will require privately funded initiatives like the Peatland Water Sanctuary™ initiative to achieve this goal.
- Beam Suntory is proud to employ more than 360 people in Scotland, the large majority of whom are involved in the production of its renowned Scotch whiskies, including Glen Garioch, Ardmore, Auchentoshan, Laphroaig, Bowmore and Teacher's.

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About Suntory Holdings

As a global leader in both the alcohol and non-alcohol beverages industry, Suntory Holdings offers a uniquely diverse portfolio of products from premium spirits, beer and wine to brewed teas, bottled water, carbonated soft drinks, ready-to-drink coffee and energy drinks, along with health and wellness products. Suntory is home to award-winning Japanese whiskies *Yamazaki*, *Hibiki* and *Hakushu* as well as iconic American spirits *Jim Beam* and *Maker's Mark*. Suntory also fascinates the taste buds in Japan and the Asian market with our *Premium Malt's* beer and also owns the exceptional Japanese wine *Tomii* and the world famous *Château Lagrange*. Its brand collection also includes *Sauza Tequila*, non-alcoholic favorites *Orangina*, *Lucozade*, *Ribena*, *BOSS* coffee, *Iyemon* green tea, *Suntory Tennensui* water, *TEA+ Oolong Tea*, *V* and *BRAND'S*, as well as popular health and wellness product *Sesamin EX*.

Founded as a family-owned business in 1899 in Osaka, Japan, Suntory Group has grown into a global company operating throughout the Americas, Europe, Africa, Asia and Oceania with an annual revenue (excluding excise taxes) of \$20.4 billion in 2020. Suntory is driven by *Yatte Minahare* - the spirit of bold ambition - and our 40,044 employees worldwide draw upon our unique blend of Japanese artisanship and global tastes to explore new product categories and markets.

SUNTORY

Beam SUNTORY

As a company that delivers blessings of water and nature to our customers, Suntory is committed to its mission to create harmony with people and nature. Always aspiring to grow for good, Suntory is devoted to giving back to society through protecting water resources, nurturing its communities and fostering the arts. Learn more about Suntory Group, its brands, and its commitment to social responsibility at www.suntory.com, on [Facebook](#), [Twitter](#), [Instagram](#), [LinkedIn](#), and [YouTube](#).

About Beam Suntory

As a world leader in premium spirits, Beam Suntory inspires human connections. Consumers from all corners of the globe call for the company's brands, including the iconic Jim Beam® and Maker's Mark® bourbon brands, Suntory whisky Kakubin and Courvoisier® cognac, as well as world renowned premium brands including Knob Creek®, Basil Hayden's® and Legent™ bourbon; Yamazaki®, Hakushu®, Hibiki® and Toki™ Japanese whisky; Teacher's, Laphroaig® and Bowmore® Scotch whisky; Canadian Club® whisky; Hornitos® and Sauza® tequila; EFFEN®, Haku® and Pinnacle® vodka; Sipsmith® and Roku™ gin; and On The Rocks® Premium Cocktails.

Beam Suntory was created in 2014 by combining the world leader in bourbon and the pioneer in Japanese whisky to form a new company with a deep heritage, passion for quality, innovative spirit and vision of Growing for Good, which now includes its transformative sustainability strategy, Proof Positive. Headquartered in Chicago, Illinois, Beam Suntory is a subsidiary of Suntory Holdings Limited of Japan. For more information on Beam Suntory, its brands, and its commitment to social responsibility, please visit www.beamsuntory.com and www.drinksmart.com.

About Ardmore Distillery

The Ardmore Distillery was established in 1898 by Adam Teacher, son of the founder William Teacher. Its traditional highland single malt has provided the peated signature in the Teacher's blends ever since, including the world-renowned Highland Cream Blended Scotch Whisky.