

# CSR Approach and Initiatives

SBF and the entire Suntory Group contribute to a sustainable society through environmental management. We recognize that we have certain responsibilities as a business that is supported by the blessings of nature, and we have created our own *Targets toward 2020* inspired by the *Suntory Environmental Vision toward 2050*. *Targets toward 2020* outlines environmental initiatives throughout our entire product lifecycle. At the same time, the Suntory Group engages in a variety of global CSR activities in partnership with our stakeholders, pursuing our corporate philosophy of working *In Harmony with People and Nature*.

\* Read more about Suntory Group CSR activities at <http://www.suntory.com/csr/>

## SBF Recognized for Efforts to Reduce our Environmental Footprint

SBF reduces our environment impact through a number of specific initiatives.

These efforts focus on preserving and recycling natural resources, as well as reducing our impact on the environment. In fiscal 2016, we were selected as a CDP Water 2016 A List Company in recognition of our water resource conservation and our reduction of water usage in our production plants. The CDP is an international not-for-profit organization that measures, publishes, manages, and shares important environmental information related to companies and cities. Since 2003, the CDP has worked on behalf of numerous institutional investors to collect, analyze, and publish information related to both business risk and opportunities in connection with greenhouse gas emissions and climate change for the world's leading companies.

Also in 2016, we received the Minister of the Environment Award for Promoters of the Development of a Recycling-Oriented Society. This recognition cited our work in reducing the environment impact of our container packaging. This award, created by the Ministry of the Environment to promote a recycling-oriented society, is given to individuals, corporations, and organizations that have had notable success in reducing, reusing, and recycling resources. In our case, we were recognized for being the first in the world\*<sup>1</sup> to adopt beverage PET bottles made 30% from plant-derived materials.

SBF will continue to engage in environmental management to contribute to the building of a sustainable society.

\*<sup>1</sup> Source: Internal survey conducted January 2016



## In Harmony with Customers and Partners

### Measures for Healthy and Comfortable Lifestyles

Over the past few years, more companies have started to address the strategic implementation of health management, thinking about employee health management from a business perspective. In the fall of 2016, SBF launched Suntory GREEN+, a points reward program combining vending machines and a smartphone app. This is the first program of its kind in the automated vending machine industry.

Suntory GREEN+ consists of a smartphone app that gives points to users when they buy Suntory products at compatible vending machines, or when users walk a certain number of steps within a certain period. Users can then exchange their points at vending machines in exchange for Suntory FOSHU beverages. The goal of this program is to help improve the health consciousness of employees and contribute to health management on the part of the company.



## In Harmony with Nature

### Developing Environmentally Friendly Container Packaging

SBF continues PET bottle development under the unique 2R+B strategy of the Suntory Group. 2R+B is a strategy designed to use resources more effectively by reducing the use of plastics and using recycled materials in greater amounts. The name of the program stands for Reduce/Recycle+Bio, representing our goal to replace petroleum-derived materials with renewable materials to the greatest extent possible.

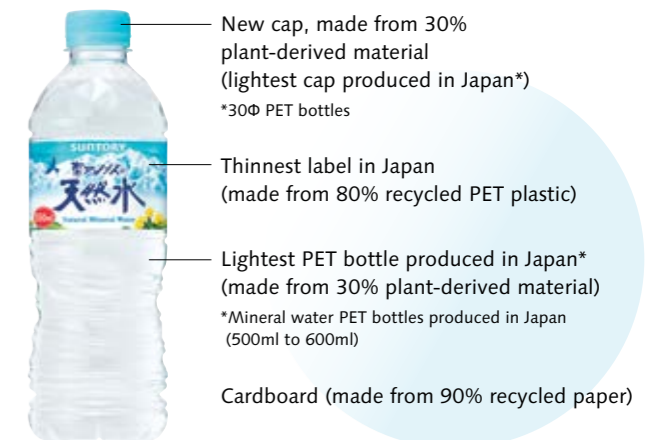
In the spring of 2016, SBF was the first company in the world\*<sup>1</sup> to introduce beverage PET bottle caps consisting 30% of plant-derived materials. In September 2016, we followed this up with the lightest cap produced in Japan\*<sup>2</sup>, 1.85g cap\*<sup>3</sup> consisting 30% of plant-derived materials. These developments have resulted in a 35% reduction\*<sup>4</sup> in the use of petroleum-derived materials and a 27% reduction in CO<sub>2</sub> emissions\*<sup>4</sup> compared to traditional bottle caps.

\*<sup>1</sup> Source: Internal survey as of January 2016

\*<sup>2</sup> Source: Internal survey as of March 2017

\*<sup>3</sup> Weight represents specification as of September 2016

\*<sup>4</sup> Per single 550ml bottle of *Suntory Tennensui*



Source: Internal survey as of March 2017

 **In Harmony with Society**

**Pepsi Bottling Ventures Group**  
**Using Water Effectively**

Water is vital to the business and products of Pepsi Bottling Ventures. Production plants have a duty to use water in the most responsible fashion possible. Our plants have been outfitted with cutting-edge reverse osmosis water purification systems to ensure water purity and provide optimal water saving. Waste water from reverse osmosis water purification systems and other production processes is reused before being sent to sewage treatment, a further step in our comprehensive water conservation activities. Pepsi Bottling Ventures continues to invest in new water purification systems. As a result, Pepsi Bottling Ventures reported a water efficiency of one gallon of product from every 1.72 gallons of water used in 2015. This is a very highly efficient ratio of water usage for our industry.

**Suntory PepsiCo Vietnam Beverage Co., Ltd.**  
**Helping Hands Program**

Suntory PepsiCo Vietnam Beverage associates support the Helping Hands program through volunteer service hours and fund-raising activities. In turn, the program provides employees with opportunities to serve their local communities and the world at large. Launched in August 2011, Helping Hands program helps to improve Suntory PepsiCo Vietnam Beverage core values and build a stronger corporate culture. At the same time, the program encourages employees to make long-term commitments and contributions for sustainable growth of our business and society. As of March 2016, 10 Helping Hands committees manage 85 different projects. Since the founding of the program, more than 2,700 individuals have donated a total of 14,000 hours in volunteer activities. More specifically, VND 500 million in funds have been used to build two schools, two houses, and two libraries for children in the mountain regions. The funds have also been used for 1,600 eye operations and gifts to disabled persons and the elderly in public facilities.



 **In Harmony with Employees**

**Cerebos Group**  
**Training Outstanding Human Resources for our 2020 Vision: Create Our Future**

The Cerebos Group established *Create our Future*, a road map for the Group toward the year 2020. This vision defines four goals for the Group: To be the most exciting company, to be the best learning organization, to be the most engaged company, and to be the best-paying company. Realizing that outstanding people are the most important component for business growth, the Group emphasizes leadership at every level of the Group under this vision, developing a strategy called Grow from Within (GfW). The two key initiatives of GfW are the *Heart of Performance* and the *Cerebos-NUS Leadership Development Program*. Guided by this vision, these programs bring out the latent talents of Cerebos Group employees and empowering them to make strategic decisions to propel Cerebos Group growth.

**PT Suntory Garuda Beverage**  
**The Sahabat Inspirasiku Program**

The Sahabat Inspirasiku Program, sponsored by the GarudaFood Group, sends volunteer employees from the Group to local schools. These volunteers provide students with information about various professions and inspirational stories about work, helping instill an interest among students. These activities are aimed at students in educational institutions of all types, from elementary schools to leading universities.

As one part of the Group's commitment to education in Indonesia, the Group held a manufacturing career seminar at Jogjakarta Campus of Gadjah Mada University in December 2015. Here, a human capital generalist from Suntory Garuda Beverage gave a presentation to 280 highly interested students.

