

# 2025

**Suntory Group  
Sustainability Site**

**PDF**



**SUNTORY**

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# A Message from our President

## “Inspiring the Brilliance of Life” Around the World

Representative Director, President  
Suntory Holdings Limited

Nobuhiro Torii



### Our founding values guide us in coexisting with society and nature

More than 125 years have passed since my great grandfather, Shinjiro Torii, founded Suntory in Osaka, Japan. Throughout the years, Suntory Group has made it its mission to contribute to the creation of a rich lifestyle culture by delivering the highest quality products and services to consumers, while at the same time achieving coexistence with diverse societies and the natural environment. Moving forward, guided by our purpose “To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature,” we will continue to pursue the realization of “the brilliance of life” for all people around the world.

In doing so, we firmly embrace our values of “Yatte Minahare” and “Giving Back to Society” that have been thoroughly passed down by our predecessors.

Suntory's origin traces back to our founder's bold ambition of spreading the Western liquor culture in Japan and creating a Japanese whisky that suits the Japanese palate. Since then, Suntory has continued to build on its history of “Yatte Minahare,” taking on bold challenges in the relentless pursuit of creating new value, including making way into Japan's then-oligopolistic beer market, and entering the soft drinks, RTD and health and wellness businesses, expanding globally in that time to become the multifaceted beverages company we are today. In addition, our value of “Giving Back to Society” has guided us to give back what our business earns, not only by reinvesting in our company, but also by bringing good to consumers and society through longstanding efforts such as promoting the culture, arts and science and protecting the environment. The initiatives we have conducted for over more than one hundred years in pursuit of coexistence with society and nature shape the very essence of sustainability. Today, these initiatives expand globally.

### Leading the world in water sustainability

Suntory Group's business depends on the gifts of nature including water and raw ingredients. Passing on these gifts of nature with an abundant natural environment to the future generations is our important obligation, and an essential prerequisite for the future of all Suntory Group business activities. In particular, we recognize that water is an urgent issue, as it is predicted that approximately 5 billion people worldwide will face severe water shortages by 2050.

To ensure the sustainability of water, which is a precious resource that we share with local communities, Suntory Group established our “Water Philosophy” to be embraced throughout the Group, conducting initiatives to protect water resources over many years. For example, it was more than 20 years ago that we started the Natural Water Sanctuary Initiative in Japan for the purpose of improving the water source recharge function and biodiversity of the forests that nurture groundwater. We will continue to promote these initiatives to achieve net water positive globally, replenishing more than 100% of the water we use at our production plants. In addition, Suntory Group offers “Mizuiku” — education program for nature and water, a unique program designed to teach the next generation the importance of water which marked its 20th anniversary in 2024. These programs have now expanded to 8 countries, reaching 1.19 million people.

Through years of activity, we believe that the knowledge and expertise accumulated by Suntory Group are important assets in achieving the

sustainability of water. We will continue our efforts with a strong commitment to demonstrating leadership not only in the areas where we operate but also in addressing water challenges worldwide.

## **Placing sustainability at the core of management to pass on a sustainable society to future generations**

Aiming to realize a society in harmony with people and nature, Suntory Group has set the “Environmental Targets toward 2030” with a focus on water, containers and packaging, and greenhouse gas (GHG) emissions. With only 5 years remaining until 2030, we will work together as a united Group, collaborating with stakeholders across the entire value chain, and accelerating our efforts to achieve our goals with even greater determination.

As we move forward, we will continue to place sustainability at the core of our management, listening to the voices of our stakeholders, including our consumers, and delivering the highest quality products and services that meet the needs of the times. As we continue to grow as a global multifaceted beverages company, we will continue to innovate and embrace new challenges, with the commitment to pass on to the next generation a sustainable society that “inspires the brilliance of life.”

March 2025

Nobuhiro Torii

Representative Director, President

Suntory Holdings Limited

# Suntory's Sustainable Management

## Suntory Group's Corporate Philosophy

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

<b>Suntory Group's Corporate Philosophy</b>		Suntory Group's Corporate Philosophy consists of our purpose and values, based on our founding spirit and motto. It expresses our corporate aims and the principles we embrace to achieve them.
<b>Our Purpose</b> The goals of the Suntory Group's business and our corporate direction		
<b>To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature.</b>		
<b>Our Values</b> The values we embrace to achieve our purpose		
<b>Growing for Good</b>	We keep growing, as individuals and as a corporation, towards a better world. By continuing to grow, we expand our capacity to improve society.	
<b>"Yatte Minahare"</b>	We refuse to fear failure, refuse to give in or give up, and stay relentless in our quest to innovate new values.	
<b>Giving Back to Society</b>	We give back from what our business earns, not only by reinvesting in our company, but by caring for our customers and partners and contributing to society.	

## The Suntory Group's Vision on Sustainability

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

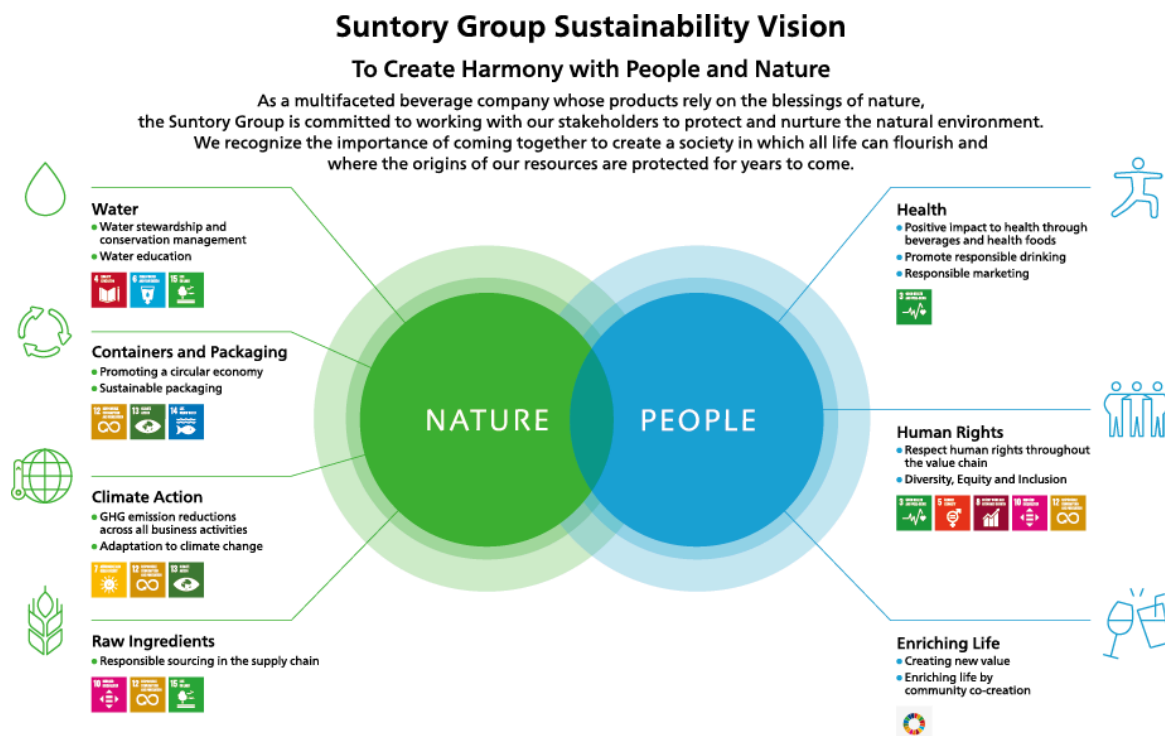
Suntory Group's approach to sustainability and the 7 sustainability themes to which we are contributing are outlined in the Suntory Group Sustainability Vision. Being strongly aware of the interdependence between nature and people, we are implementing various initiatives together with our stakeholders, to realize a world where nature and people live in harmony.

The world faces a wide variety of environmental and social issues, such as water shortages and loss of biodiversity from the changing climate, pollution and increasing waste, poverty, and human rights violations.

Companies are now expected to actively work on realizing the common global objectives of the Sustainable Development Goals (SDGs).\* As a global business, Suntory Group remains deeply committed to tackling global issues with sincerity and will continue striving to contribute to the realization of a sustainable society.

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

# Suntory Group Sustainability Vision



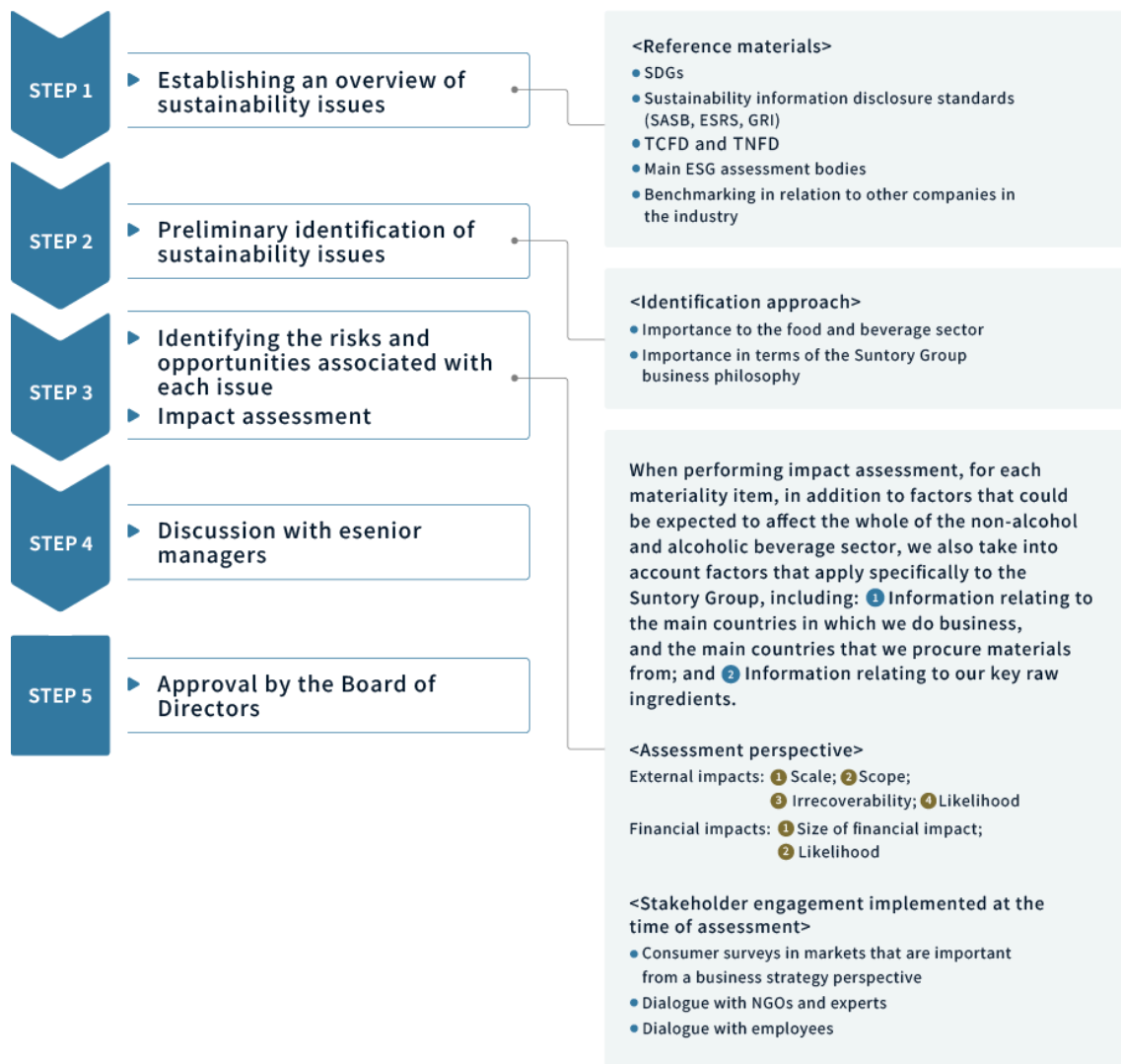
## Materiality

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

In 2023, Suntory Group reviewed the results of the materiality analysis that had been performed in 2017. This time, the materiality analysis was based on the double materiality concept, and sought to identify and evaluate the impact on both the company's business and the people and the environment.

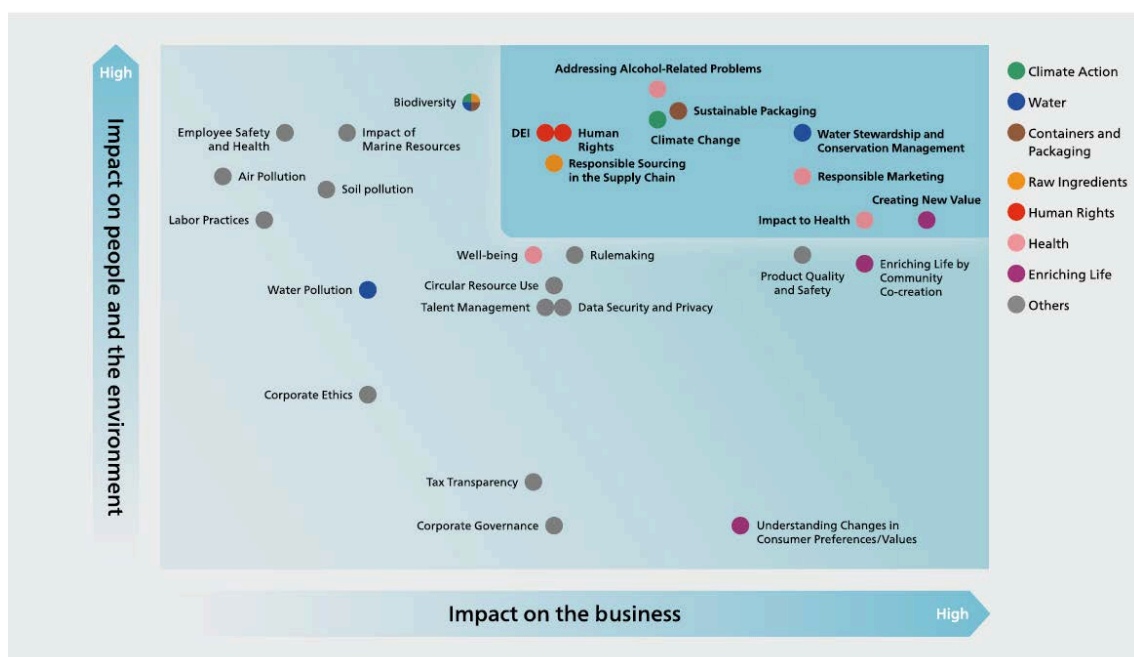
The 7 themes outlined in the Suntory Group Sustainability Vision were collated mainly from the 10 key issues identified as constituting Suntory Group's materiality. Both the materiality and the Suntory Group Sustainability Vision were approved following discussion by the Board of Directors.

## Materiality Identification Process



## Materiality Matrix

Using the process outlined above, we identified 10 key materiality items for Suntory Group. Focusing on these items, we collated 7 main sustainability themes that Suntory should address.



Theme	Issue	Initiatives
<b>Water</b> 	<ul style="list-style-type: none"> <li>● Water Stewardship and Conservation Management</li> <li>● Biodiversity</li> <li>● Water Pollution</li> </ul>	<ul style="list-style-type: none"> <li>➤ Our Focus Areas Water</li> <li>➤ Water Sustainability</li> <li>➤ Biodiversity</li> <li>➤ Disclosure Based on TNFD &amp; TCFD Recommendations</li> </ul>
<b>Climate Action</b> 	<ul style="list-style-type: none"> <li>● Climate Change</li> <li>● Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>➤ Our Focus Areas Climate Action</li> <li>➤ Climate Action</li> <li>➤ Disclosure Based on TNFD &amp; TCFD Recommendations</li> </ul>
<b>Containers and Packaging</b> 	<ul style="list-style-type: none"> <li>● Sustainable Packaging</li> <li>● Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>➤ Our Focus Areas Containers and Packaging</li> <li>➤ Packaging &amp; Resource Efficiency</li> </ul>
<b>Raw Ingredients</b> 	<ul style="list-style-type: none"> <li>● Responsible Sourcing in the Supply Chain</li> <li>● Biodiversity</li> </ul>	<ul style="list-style-type: none"> <li>➤ Our Focus Areas Raw Ingredients</li> <li>➤ Sustainable Procurement</li> <li>➤ Disclosure Based on TNFD &amp; TCFD Recommendations</li> </ul>
<b>Human Rights</b> 	<ul style="list-style-type: none"> <li>● Human rights</li> <li>● Diversity, equity, and inclusion (DEI)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Our Focus Areas Human Rights</li> <li>➤ Respect for Human Rights</li> <li>➤ Diversity, Equity &amp; Inclusion</li> </ul>
<b>Health</b> 	<ul style="list-style-type: none"> <li>● Addressing Alcohol-Related Problems</li> <li>● Impact to Health</li> <li>● Responsible Marketing</li> <li>● Well-being</li> </ul>	<ul style="list-style-type: none"> <li>➤ Our Focus Areas Health</li> <li>➤ Positive Choices</li> <li>➤ Responsible Drinking</li> </ul>
<b>Enriching Life</b> 	<ul style="list-style-type: none"> <li>● Creating New Value</li> <li>● Enriching Life by Community Co-creation</li> <li>● Understanding Changes in COnsumer Preferences/Values</li> </ul>	<ul style="list-style-type: none"> <li>➤ Our Focus Areas Enriching Life</li> <li>➤ Communities</li> <li>➤ Empowering Children &amp; Youth</li> <li>➤ Arts &amp; Culture</li> <li>➤ Championing Sports</li> </ul>

## Suntory Group's Mid- to Long-term Targets

Suntory Group is committed to addressing the wide range of challenges that the world is facing today, and will continue our efforts to realize a sustainable society.

In particular, we have set mid- to long-term targets and are implementing world-leading initiatives for water sustainability, as well as for the pressing issues of reducing GHG emissions and plastics usage.



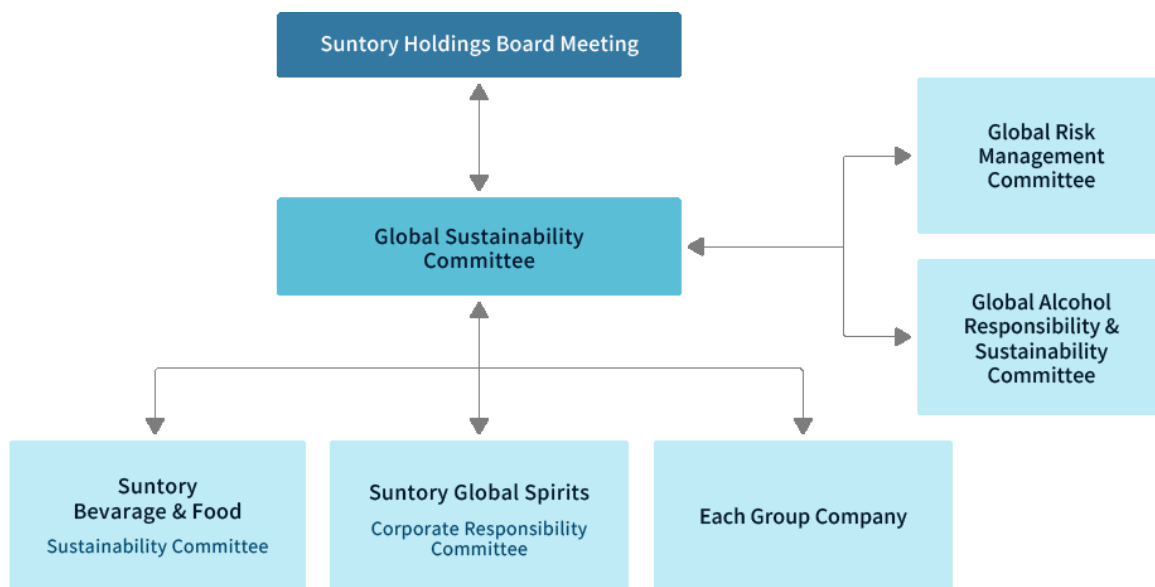
➤ See [SUNTORY GROUP: OUR TARGETS \(PDF file\)](#)

## Promoting Structure

The Global Sustainability Committee (GSC) is responsible for sustainability management and is chaired by the Chief Sustainability Officer, with Executive Officers from each business serving as vice chairs. Committee members include the Directors in charge of each functional division, the heads of Group companies inside and outside Japan, and the heads of functional divisions. The GSC discusses the Group's sustainability strategies and confirms progress on priority themes (water, climate action, raw ingredients, containers and packaging, health and human rights). Progress on environmental and social activities as well as business risks and opportunities are reported to the Board of Directors on a quarterly basis. In addition, the Board of Directors are provided with the opportunities to hear advice from the third party experts on sustainability management. Additionally, the targets used to determine executive compensation include a sustainability component.



## Suntory Group's Environmental Management Promoting Structure



## Stakeholder Engagement

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



Opportunities for Communication with Stakeholders

	Purpose of Engagement	Method of Engagement
<b>Customers</b>	We value close communication with customers, placing top priority on the customer. We sincerely listen to consumer opinions and requests and, through detailed communication, work to develop and improve upon products and services for our business activities.	<ul style="list-style-type: none"> <li>● Handling of inquiries at the Customer Center</li> <li>● Information disclosure on the website</li> <li>● Customer service in Sales Departments</li> <li>● Factory tours</li> <li>● Events and seminars</li> </ul>
<b>Business Partners</b>	We build relationships of trust with all our business partners through fair and equitable transactions, endeavoring to provide a safe and healthy working environment and complying with related laws and	<ul style="list-style-type: none"> <li>● Supplier information sessions</li> <li>● Supplier surveys</li> <li>● Supplier engagement</li> </ul>



	regulations, while working together to realize a sustainable society. We will also deliver even better products and services to consumers.	<ul style="list-style-type: none"> <li>● Business Partner Compliance Hotline</li> </ul>
<b>Employees</b>	We believe that people are the most important foundation of our business. By allowing each employee to maximize their individuality and capabilities and continue to grow, we will increase the value of the entire Suntory Group and continue to grow to even greater heights.	<ul style="list-style-type: none"> <li>● Employee opinion survey</li> <li>● Various types of training and events</li> <li>● Internal newsletters (booklets, intranet)</li> <li>● Labor-Management Council</li> <li>● Compliance Hotline</li> <li>● Internal awards system</li> </ul>
<b>The Local Community</b>	We seek to coexist with local communities and co-create value by understanding and communicating the impact that our business activities have on the community. We will work to resolve social issues through our business activities and contribute to the development of a sustainable society.	<ul style="list-style-type: none"> <li>● Cultural and social contribution activities</li> <li>● Participation in local activities</li> <li>● Dialogue with local residents</li> <li>● Coordination with government, NGOs, and NPOs</li> <li>● Awareness-raising activities</li> </ul>
<b>Global Environment</b>	We recognize that the global environment constitutes an important foundation of our business and is a shared societal resource. Ingraining this concept in every part of the Group, Suntory is striving to build a prosperous and sustainable society by preserving and regenerating nature, reducing environmental impacts, and passing on a sustainable global environment to future generations.	<ul style="list-style-type: none"> <li>● Participation in initiatives</li> <li>● Activities for preserving and regenerating nature</li> <li>● Reducing environmental impacts in our business activities</li> <li>● Contributing to a circular society</li> </ul>

➤ For past stakeholder dialogues, please refer to [Dialogue with Society archive](#).

# Suntory Group's Targets Toward 2030

## Targets for Water, Climate Action, and Containers and Packaging

We are engaged in seeking solutions to the wide range of challenges facing the world and are continuing efforts to realize sustainability. In 2019, we established Suntory Group Sustainability Vision, consisting of 7 themes, to drive sustainability management across Suntory Group. Among them, we have set targets toward 2030 for the 3 environment-related themes of water, climate action, and containers and packaging and are leading pioneering efforts in these areas.

➤ For more information, see Suntory's Sustainable Management



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

## Targets and Results

### Reduction of Water Used in Direct Operation

#### Targets Toward 2030

Reduce the water intensity of production at our owned plants

by **35%<sup>\*1</sup>** globally.



#### 2024 Results

Reduced the water intensity of production

by **30%** compared to 2015.

### Water Replenishment

#### Targets Toward 2030

Replenish

more than  
**100%**

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



#### 2024 Results

Water resource cultivation activities implemented in

**36%** of all owned plants globally. For the plants located in highly water stressed areas, activities have been implemented in 31%

### Sustainable Water Use in Raw Ingredients

#### Targets Toward 2030

Collaborate with suppliers to improve water-use efficiency in the production of waterintensive key ingredients<sup>\*3</sup> in highly water stressed areas.



#### 2024 Results

- As part of our efforts in barley production through regenerative agriculture, we are continuously working with our suppliers to verify the improvement of water use efficiency by enhancing soil water retention.
- Implemented a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.

### Water Education and Access to Safe Water

#### Targets Toward 2030

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

more than  
**5 million people.**



#### 2024 Results

Total  
**1,750,000 people**

- Water education program: 1,330,000 people
- Provision of safe water: 420,000 people

\*1 Reduction of water intensity of production based on 2015 baseline year

\*2 Suntory Group plants that manufacture finished products: 24 plants in Japan, 45 plants overseas

\*3 Coffee, barley, grapes

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

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

### Suntory Group's Sustainable Water Philosophy

#### 1. Understanding the natural cycle of water

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

#### 2. Promoting environmentally conscious water use

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

#### 3. Conserving watersheds

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

#### 4. Engaging with the local community

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

## Our Initiatives

### Suntory Natural Water Sanctuary Initiative Using Science-based Approaches

Suntory Group started the Natural Water Sanctuary Initiative in 2003 for the purposes of improving water resource cultivation and preserving biodiversity. The initiative has now expanded to more than 12,000 hectares in 26 locations in 16 prefectures across Japan and has already recharged twice the amount of water withdrawn by our plants in Japan. With the Suntory Institute for Water Science playing a central role, we collaborate with researchers from various fields to carry out ongoing activities based on science, looking ahead decades or even 100 years into the future. We are now extending this initiative for water resource cultivation to regions around the world.



Suntory Natural Water Sanctuary

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

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

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



Suntory Mizuiku - Education Program for Nature and Water

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

## Targets and Results

### GHG emissions

#### ► Targets Toward 2030

Reduce GHG emissions from our direct operations by

**50%** <sup>\*1</sup>



#### ► 2024 Results

**32%**

reduction compared to 2019

#### ► Targets Toward 2030

Reduce GHG emissions across our entire value chain by

**30%** <sup>\*1</sup>



#### ► 2024 Results

**13%**

reduction compared to 2019

\*1 Based on emissions in 2019.

## Aim for Net Zero greenhouse gas (GHG) emissions Across the Whole Value Chain by 2050

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

## Our Initiatives

### Use of Renewable Energy

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

\* Based on power procured, 2021



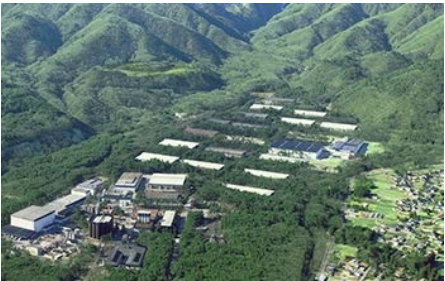
Solar panels at Suntory Kita Alps Shinano-no-Mori Water Plant

### Switch to Green Hydrogen with Zero CO<sub>2</sub> emissions

In 2022, we concluded a basic agreement with Yamanashi Prefecture toward realizing environmentally harmonious and sustainable society. Under the agreement, we are aiming to install the 16-megawatt Yamanashi Model Power-to-Gas (P2G) System, one of the largest



systems to create green hydrogen in Japan, at the Suntory Minami Alps Hakushu Water Plant and the Suntory Hakushu Distillery by 2025. With the P2G System, the plants will switch to using green hydrogen as fuel for heat energy . We will also explore utilizing green hydrogen in the surrounding communities together with Yamanashi Prefecture.



Suntory Minami Alps Hakushu Water Plant and Suntory Hakushu Distillery

➤ For more information about our GHG initiatives, see Climate Action.



## Containers and Packaging

Related SDGs



### Targets and Results

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



### Make All PET bottles Used in Suntory Group Sustainable by 2030

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

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

# 2R+B\*



## Reduce

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



## Recycle

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



## Bio

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

# Sustainability × Usability

\*2R+B is a registered trademark

## Our Initiatives

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

"Horizontal recycling" is recycling to make the same product as the original one. We developed the Japanese beverage industry's first bottle-to-bottle (B-to-B) horizontal recycling technology to create new PET bottles from used ones in 2011 and put the technology into practical use the following year. Currently, we have adopted the logo mark "Bottles are resources! Towards a Sustainable Bottle" on all PET bottle products in Japan\*<sup>1</sup> to more directly communicate to consumers that PET bottles are a resource that can be recycled multiple times. In 2024, we expanded the percentage of sustainable materials\*<sup>2</sup> we use to 58% of the total weight of PET bottles used in our non-alcoholic beverages business in Japan.

\*1 Excluding label-less products

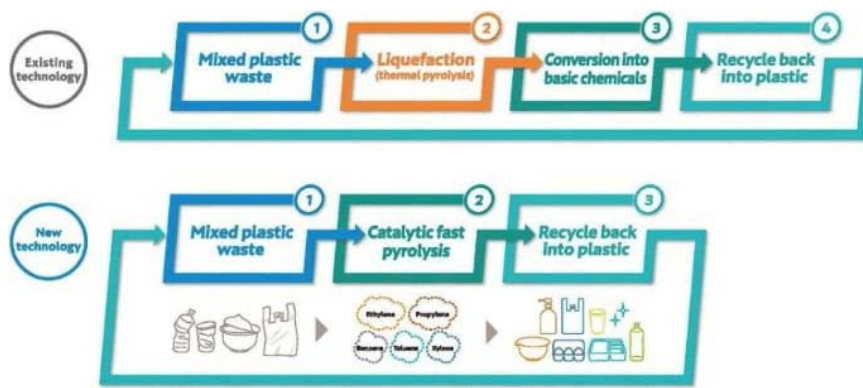
\*2 PET bottles using only recycled or bio-based material



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

We have established R Plus Japan Ltd., a new joint venture company engaged in recycling used plastics, aiming to make not only PET bottles but plastics in general a resource that is perpetually recycled to create greater sustainability. R Plus Japan aims to establish recycling technology that requires fewer processes than traditional chemical recycling that creates petrochemical feedstock, leading to reductions in CO<sub>2</sub> emissions and energy needs.

As of March 2025, the number of companies participating in R Plus Japan has expanded to 48, and cross-industry collaboration is advancing efforts for the social implementation of recycling technology.



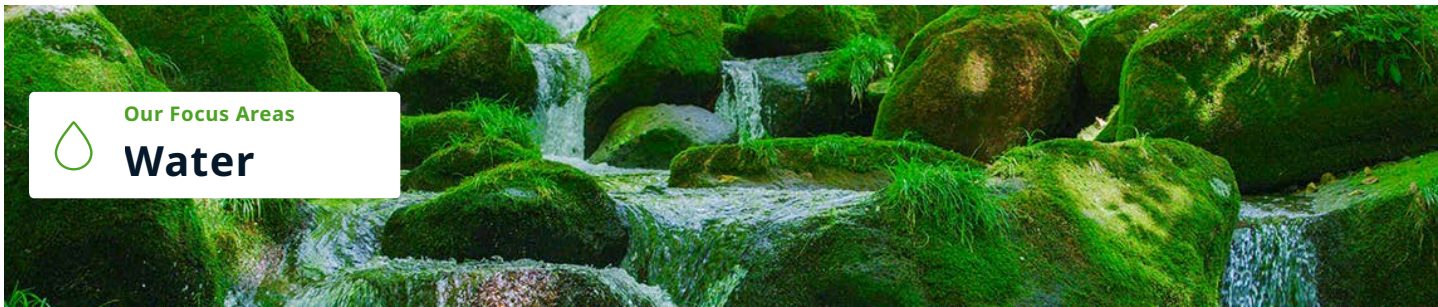
R Plus Japan is working to develop innovative recycling technology which enables to generate the raw materials of general plastics from used plastics.

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



## Our Focus Areas

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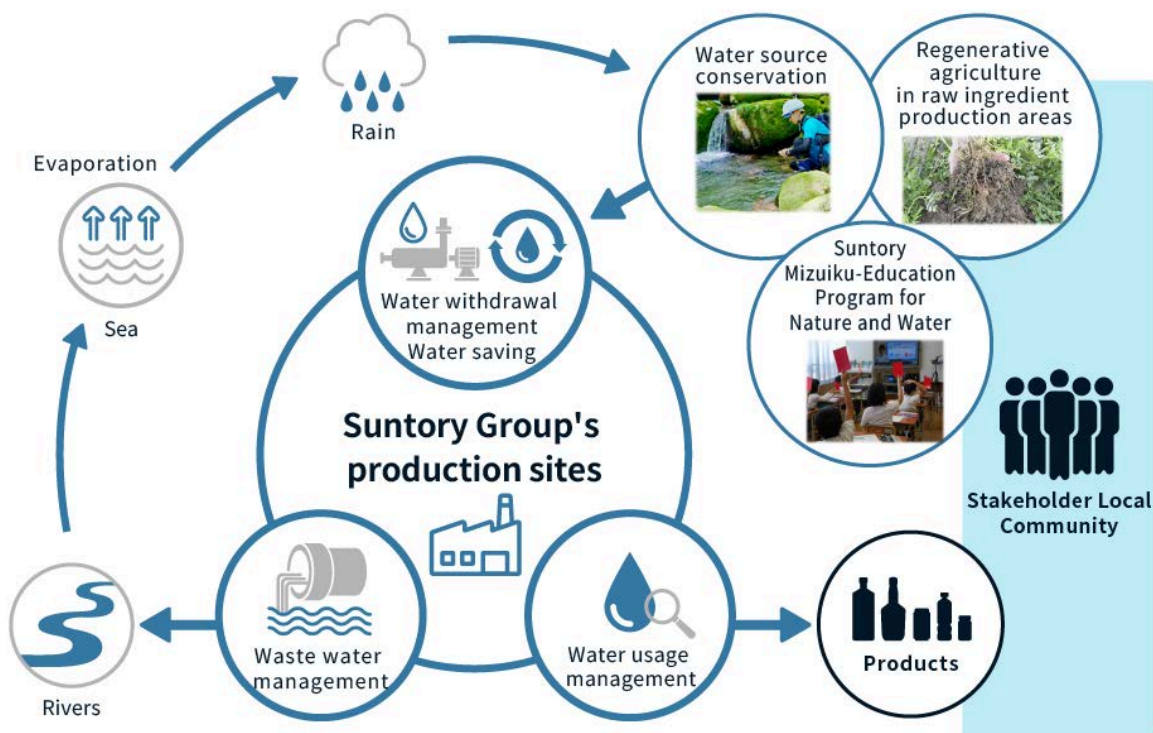


## Context

Water is a vital resource that supports human life and livelihoods, and the foundation of Suntory Group's business activities. While water is a renewable resource that will never disappear from Earth, only about 0.01% of the planet's water is freshwater accessible to humans. On the other hand, global issues concerning water resources have arisen due to factors such as population growth, economic development in developing countries, and climate change. It is predicted that by 2050, approximately 5 billion people worldwide will face severe water shortages.\* This worldwide water scarcity is intertwined with numerous issues, as water is used not only for drinking and domestic purposes but also extensively in food production.

At the top of Suntory Group's Environmental Principles is "achieving water security." We are advancing various initiatives to contribution to the healthy circulation of water in nature, with a view that encompasses the entire value chain.

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



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

# Governance

## Global Sustainability Committee

At Suntory Group, we have established a system to promote environmental management centered around the Global Sustainability Committee (GSC). Under the supervision of the Chief Sustainability Officer, GSC formulates strategies related to the 7 key themes of sustainability, which include water, climate action, raw ingredients, containers and packaging, health, human rights, and lifestyle culture. GSC also oversees the progress of these strategies and analyzes the business risks and growth opportunities, reporting to the Board of Directors on a quarterly basis.

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

# Strategy

## Suntory Group Sustainable Water Philosophy

As a globally-operating company that depends on and benefits from the water and as a company that operates globally, Suntory Group must earnestly address worldwide challenges and contribute to building a sustainable society.

Based on Suntory Group's Environmental Principles, we have established the Suntory Group "Sustainable Water Philosophy" to guide our efforts in addressing water challenges in various regions around the world. Based on this philosophy, we develop and promote initiatives that are tailored to the water resources conditions in each area where we do operate.

### Suntory Group's Sustainable Water Philosophy (Established January 2017)

Water is the most important ingredient of our products, as well as a precious shared resource. In pursuit of "achieving water security," which is at the top of Suntory Group's Environmental Principles, we share the following philosophy across the Group to meet stakeholder expectations.

1. Understanding the natural cycle of water

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

2. Promoting environmentally conscious water use

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

3. Conserving watersheds

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

4. Engaging with the local community

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

## Water Stewardship

Water is a local resource. Precipitation, a major factor in determining water volumes, varies greatly depending on geographical conditions, seasons, and weather conditions in different regions. Moreover, since rain that hits the ground flows differently based on differences in elevation, the situation regarding water varies by each watershed determined by these dividing lines.

Even in areas with sufficient rainfall, effective use of water resources can become difficult if there is significant seasonal variability in flow, if climate change causes substantial changes in flow, or if facilities for sanitation treatment and storage are inadequate. Therefore, water issues need to be examined according to each watershed.

Suntory Group strongly recognizes the importance of water stewardship and is committed to responsibly safeguarding natural capital, which is

a regional asset, in the watersheds of each factory and in the areas of our value chain, promoting integrated water resources management together with the community.

## Risk Management

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Water is the most vital resource for our business. Suntory Group, which operates businesses globally, relies on high-quality freshwater sourced from local ecosystems. Water is not only the most important input resource for Suntory's products, but it is also essential for the operation of production facilities and cooling. However, this dependency on water poses a significant risk to Suntory's financial future.

Suntory Group identifies suppliers and production areas that have a significant impact on its business from the production regions of key raw ingredients, and identifies risks such as drought, flood, and reputation. In addition, we conduct risk assessments on the sustainability of water supply for our own plants.

Regarding these risks, under the whole group risk management promotion system, the Global Risk Management Committee (GRMC), as well as the risk management committees and teams established at each operating company, continuously conduct risk assessment, formulation and implementation of response plans, and monitoring.

➤ [For information on the progress of the assessment process and risk management, see the Water Risk Assessment.](#)

## Indicators and Targets

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### Environmental Vision toward 2050





As a unique multifaceted beverages company supported by the blessings of nature such as water and agricultural products, Suntory Group has been dedicated to realizing a sustainable society where people and nature resonate harmoniously since its founding. In 1997, we established Suntory Group's Environmental Principles, and in 2014, formulated Environmental Vision toward 2050 with a focus on water sustainability and climate action measures.

Regarding water sustainability, we have created the following vision toward 2050.

- Reduce the amount of water used in our plants around the world by 50%\*
- Conservation of water resources and ecosystems to replenish more water than is withdrawn from our own plants around the world
- Realize sustainable water use at primary raw material farms.
- Share the Sustainable Water Philosophy broadly in communities of the main countries where we operate

\* Reduction water intensity based on the business fields in 2015

## Targets and Progress toward 2030

Theme	Environmental Targets toward 2030	2024 Results
<b>Reduction of water used in direct operation</b> 	<p>Reduce the water intensity of production at our owned plants by <b>35%*</b><sup>1</sup> globally.</p> <p>In addition, explore reduction of absolute amount of water withdrawn in highly water stressed areas</p>	<ul style="list-style-type: none"> <li>● Reduced the water intensity of production by <b>30%</b> compared to 2015.</li> <li>➤ <b>Initiatives to Reduce the Amount of Water Used in Direct Operation</b></li> </ul>
<b>Water replenishment</b> 	<p>Replenish <b>more than 100%</b> of water used in at least 50% of our owned plants<sup>*2</sup> globally, including all those in highly water stressed areas, through local water source conservation efforts.</p>	<ul style="list-style-type: none"> <li>● Water resource cultivation activities implemented in <b>36%</b> of all owned plants globally.</li> <li>● For the plants located in highly water stressed areas, activities have been implemented in <b>31%</b>.</li> <li>➤ <b>Initiatives at the Water Source</b></li> </ul>
<b>Sustainable water use in raw ingredients</b> 	<p><b>Collaborate with suppliers to improve water-use efficiency</b> in the production of water-intensive key ingredients<sup>*3</sup> in highly water stressed areas.</p>	<ul style="list-style-type: none"> <li>● As part of our efforts in barley production through regenerative agriculture, we are continuously working with our suppliers to verify the improvement of water use efficiency by enhancing soil water retention.</li> <li>● Implemented a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.</li> <li>➤ <b>Raw Ingredient Production-related Initiatives</b></li> </ul>
<b>Water education and access to safe water</b> 	<p>Expand water education programs and initiatives to provide safe water access for more than <b>5 million people</b>.</p>	<ul style="list-style-type: none"> <li>● Total <b>1,750,000</b> people Water education program: 1,330,000 people Provision of safe water: 420,000 people</li> <li>➤ <b>Initiatives for Water Education</b></li> </ul>

\*1 Reduction of water intensity of production based on 2015 baseline year

\*2 Suntory Group plants that manufacture finished products: 24 plants in Japan, 45 plants overseas

\*3 Coffee, barley, grapes

## Our Initiatives

### Integrated Water Resource Stewardship based on Our Sustainable Water Philosophy

Suntory Group created the Sustainable Water Philosophy to contribute to a healthy water cycle in the watersheds according to 4 pillars—understanding the natural cycle of water, promoting environmentally conscious water use, conserving watersheds, and engaging with the local

community. Under this, we are advancing initiatives for healthy water cycles across the entire value chain.

Understanding Watersheds

Our Sustainable Water Philosophy begins with understanding the natural water cycle. Suntory Group uses a scientific approach to understand the different water cycles on a watershed basis, allowing us to develop tailored strategies.

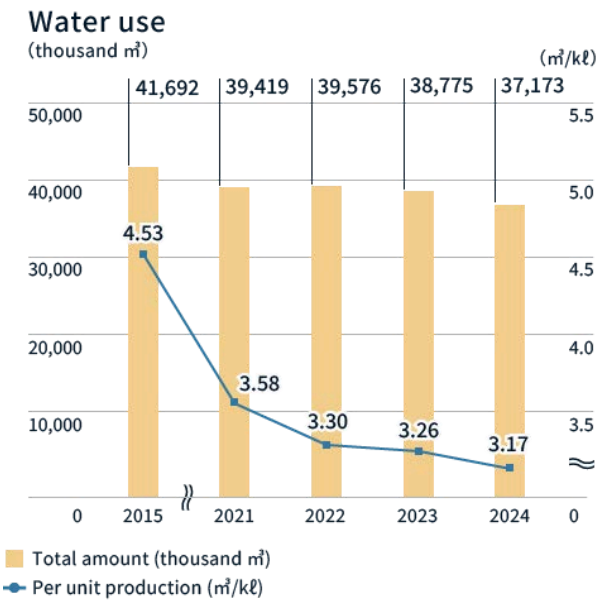
➤ For more information on this scientific approach to watershed understanding, see Suntory Global Innovation Center - Institute for Water Science.

Water Management and Conservation

Owned Plants

The second pillar of our Sustainable Water Philosophy is promoting environmentally conscious water use. Based on rigorous water risk assessments, Suntory Group tailors water use initiatives such as water conservation activities and wastewater management to the specific plants we directly operate.

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



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

Water Withdrawal

Since water withdrawal increases with the production volume (the amount of water shipped as products), Suntory Group aims to reduce water intensity in line with production growth. We also strive to reduce water withdrawal through water conservation and recycling activities.

Particularly in areas with high water stress, we assess the actual water challenges and evaluate the necessity of reducing total water usage, and control the amount of water withdrawal accordingly.

Consumption

In Suntory Group's plants, water is used not only as an ingredient but also for cleaning and cooling manufacturing equipment. To conserve limited water resources, we implement the "3Rs of Water": reducing consumption (Reduce), using water repeatedly

(Reuse), and treating it for repeated usage (Recycle). These efforts support our goal to “reduce water consumption at our owned plants worldwide by 35%”\*

\* Reduction water intensity based on the business fields in 2015

## Wastewater

We aim to control wastewater volume by reducing the unit of water withdrawal, and strive to decrease wastewater through advancements through water conservation and recycling activities. With regard to wastewater quality, Suntory Group established voluntary standards that are equally or stricter than the legal requirements and thoroughly manages quality so that wastewater is returned to nature in a state as close to natural as possible. Wastewater from our factories is first purified using anaerobic waste water treatment plants\* and other equipment before it is released into sewerage systems or rivers. To maintain these standards, we conduct continuous monitoring with measuring devices and daily water quality inspections by personnel.

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

## Upstream Value Chain

Suntory Group uses collaboration with suppliers to improve water-use efficiency in the production of water-intensive key raw ingredients (i.e., coffee beans, barley and grapes) in highly water stressed areas.

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

➤ For more information, see Sustainable Procurement.

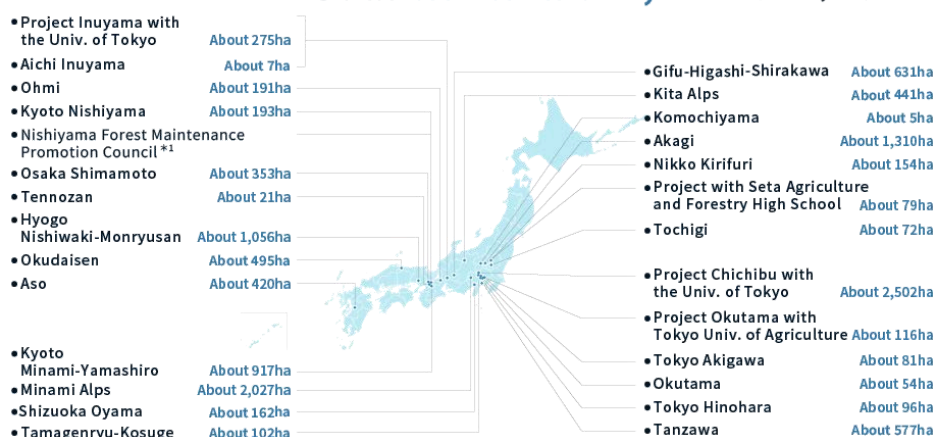
## Replenishment and Preservation of Water Resources

The third principle in our Sustainable Water Philosophy is conserving watersheds. Suntory Group works with local authorities and communities, not only at its owned plants and business premises, but also across the entire watershed where plants are located, investing in conservation and restoration tailored to the specific circumstances of each region in which we operate globally.

In 2003, Suntory Group launched the Natural Water Sanctuary Initiative aimed at enhancing water source recharge capabilities and preserving biodiversity. The initiative has now expanded to over 12,000 hectares in 26 locations in 16 prefectures across Japan, and is replenishing twice the volume of groundwater extracted by our owned plants in Japan. As we advance these efforts, we collaborate with leading researchers from various fields to ensure that our activities are scientifically grounded and sustainable for the next 100 years and beyond.

### Suntory Natural Water Sanctuary

26 areas nationwide Around 12,000ha (As of July 2025)



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

➤ For more information, see Suntory Natural Water Sanctuary.

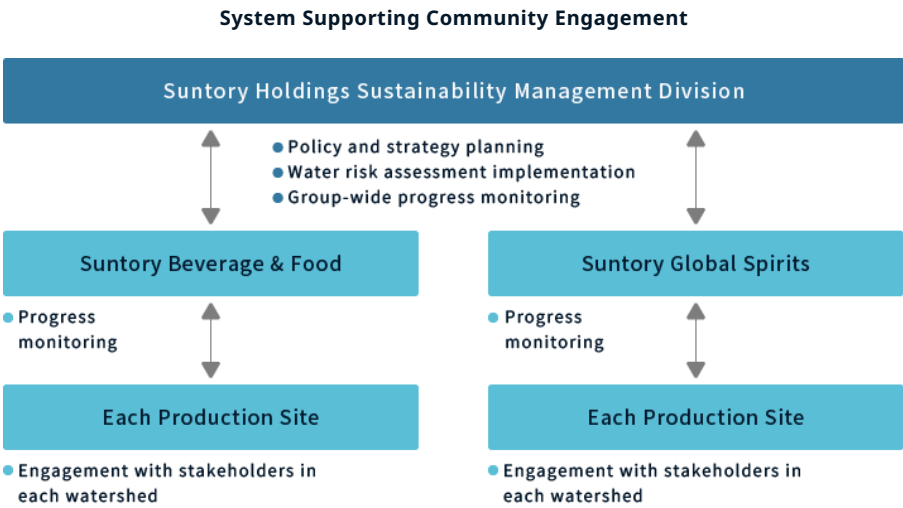


Suntory Group practices coexistence with nature in all regions where we conduct business worldwide. We will continue to engage in various initiatives as we strive to be a global leader in water sustainability.

➤ For details, see [Water Initiatives Around the World](#).

## Community Engagement

The fourth pillar of our Sustainable Water Philosophy is engaging with the local community. Suntory Group works with stakeholders including local government, NGOs, educational institutions, and the local community based on the annual water risk assessments conducted at each production site to address water issues in the local watershed.



➤ For more information, see [Identifying and Resolving Watershed Issues, and Community Engagement](#).

## Awareness-Raising Activities

Suntory Group believes that it is our important responsibility to pass on a vibrant global environment to the next generation. We have set targets to implement programs that raise awareness of water issues and provide safe water to over 5 million people by 2030.

### Suntory Mizuiku-Education Program for Nature and Water

Suntory “Mizuiku”\* — education program for nature and water started in 2004 in Japan. The program is unique to Suntory Group and designed to help children appreciate the wonders of nature, recognize the importance of water and forests that nurture it, and think about each of them can do to pass on water to future generations.

In addition to Japan, Mizuiku is currently offered in 9 countries worldwide, with cumulative participants exceeding 1,190,000 as of 2024.

\* Mizuiku is a registered trademark of Suntory Holdings Limited.  
\* Sponsor: Ministry of the Environment, Ministry of Education, Culture, Sports, Science and Technology, etc.



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



## Participation in Initiatives

Suntory Group participates in various international water initiatives in order to promote the conservation of water resources. In addition to signing The CEO Water Mandate of the UN Global Compact, we have entered into a partnership agreement with the international water certification organization Alliance for Water Stewardship (AWS) and are playing a leadership role in raising awareness about water management and building networks in Japan.

### Collaboration with AWS

In 2018, Suntory Group's Suntory Okudaisen Bunanomori Water Plant (Tottori Prefecture) became the first in Japan to receive AWS International Certification, followed by the Suntory Kyushu Kumamoto Plant (Kumamoto Prefecture) in 2019 and the Suntory Minami Alps Hakushu Water Plant (Yamanashi Prefecture) in 2021. The Suntory Kyushu Kumamoto Plant obtained the highest "Platinum" certification in 2023, followed by the Suntory Okudaisen Bunanomori Water Plant and Suntory Minami Alps Hakushu Water Plant in 2025. Additionally, we are accelerating our collaboration with AWS, including the signing of a partnership agreement with the AWS International Secretariat. In 2025, we launched a working group called Japan Water Stewardship Leadership Group (JWS) together with 4 other Japanese member companies\*.



\* MS&AD Insurance Group Holdings, Inc., Kurita Water Industries Ltd., Coca-Cola (Japan) Company, Limited, and Yachiyo Engineering Co., Ltd.

### Achieving the AWS Certification by Suntory

<b>2018</b>	<ul style="list-style-type: none"> <li>Suntory Okudaisen Bunanomori Water Plant achieved AWS Certification (first in Japan)</li> </ul>
<b>2019</b>	<ul style="list-style-type: none"> <li>Suntory Kyushu Kumamoto Plant achieved the AWS Certification</li> </ul>
<b>2021</b>	<ul style="list-style-type: none"> <li>Signed partnership agreement with AWS Asia Pacific (first in Japan)</li> <li>Member of the AWS supporting companies (first in Japan)</li> <li>Suntory Minami Alps Hakushu Water Plant achieved the AWS Certification</li> </ul>
<b>2023</b>	<ul style="list-style-type: none"> <li>Suntory Kyushu Kumamoto Plant achieved the AWS "Platinum" Certification (first in Japan)</li> <li>Signed a collaboration agreement with AWS International Secretariat</li> </ul>
<b>2025</b>	<ul style="list-style-type: none"> <li>Start of Japan Water Stewardship Leadership Group</li> <li>Suntory Okudaisen Bunanomori Water Plant achieved the AWS "Platinum" Certification</li> <li>Suntory Minami Alps Hakushu Water Plant achieved the AWS "Platinum" Certification</li> </ul>

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

### Taskforce on Nature-related Financial Disclosures (TNFD) Forum

Suntory Group joined the Taskforce on Nature-related Financial Disclosures (TNFD)\*<sup>1</sup> Forum in April 2022 to accelerate initiatives that contribute to nature-positive outcomes. We also registered as a TNFD Adopter\*<sup>2</sup> in December 2023.



\*1 Abbreviation for Taskforce on Nature-related Financial Disclosures

\*2 Organizations (report preparers) who intend to start making disclosures aligned with the TNFD Recommendations in their corporate reporting.

➤ [For more information, see Disclosures Based on TNFD & TCFD Recommendations.](#)



## Context

Containers and packaging play a crucial role in protecting and preserving the quality of products until they reach customers. However, much of this packaging becomes waste after consumption. In particular, environmental pollution resulting from the improper handling of used plastics has become a significant social issue.

In Japan, the Ministry of the Environment has formulated the Plastic Resource Recycling Strategy which recognizes the convenience of plastic products while comprehensively promoting resource recycling. In August 2024, Japan's 5th Fundamental Plan for Establishing a Sound Material-Cycle Society was established, encouraging the circulation of plastic resources and the use of biomass plastics. It also calls for enhancing Extended Producer Responsibility (EPR) and increased initiatives across the entire supply chain.

Globally, many countries and regions are accelerating efforts to restrict the use of single-use plastics. In the EU, regulations on single-use plastic products are being strengthened under its plastics strategy, and the Packaging and Packaging Waste Regulation (PPWR) was adopted by the EU Council in December 2024.

Aiming to realize a circular economy, Suntory Group is committed to environmental considerations throughout the entire product lifecycle, from design and transportation to post-consumption recycling. We actively collaborate with diverse stakeholders to address and resolve these issues.

## Core Policy

Suntory Group recognizes addressing the plastic issue in packaging as an urgent priority and strongly leads the transition to a circular and net-zero society. To this end, we established our Plastic Policy in 2019.

### Suntory Group Plastic Policy

Expressing gratitude toward the gifts of nature that are the source of our products, Suntory Group is firmly committed to leading the transformation towards a circular and net-zero society, fostering a world where diverse life thrives harmoniously. While plastics offer numerous benefits due to their utility, we aim to ensure that the plastic containers and packaging we use maintain their useful functions without negatively impacting the global environment. Together with various stakeholders, we are actively pursuing solutions to these challenges. Additionally, each employee within the Suntory Group is encouraged to act responsibly, taking the lead in creating a sustainable society.

#### 1. Recycle & Renewable:

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

#### 2. Reduce & Replacement:

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

#### 3. Innovation:

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

#### 4. New Behavior:

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

## Governance

### Global Sustainability Committee

Suntory Group has established a system for promoting environmental management centered on the Global Sustainability Committee (GSC). Under the supervision of the Chief Sustainability Officer, the GSC formulates strategies related to the 7 key themes of sustainability, which include water, climate action, raw ingredients, containers and packaging, health, human rights, and lifestyle culture. The GSC also oversees the progress of these strategies and analyzes related business risks and growth opportunities, reporting to the Board of Directors on a quarterly basis.

In addition, with regard to containers and packaging, our Containers and Packaging Task Force meets 6 times a year as a forum for discussing more specific strategies and initiatives, mainly involving employees from the business sector and functional departments.

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

## Strategy and Risk Management

Environmental pollution and increased GHG emissions resulting from the improper handling of used plastics have become significant social issues. While there are risks such as cost increases due to taxes on single-use plastics, there are also opportunities to reduce the use of petroleum-based materials through the development and adoption of new technologies.

### Strategy

Toward the realization of a circular society, Suntory Group has established the Plastic Policy under which we aim to make our PET bottles from 100% recycled or bio-based material, eliminating the use of virgin petroleum-based materials in all of our PET bottles globally —by 2030. In addition to proactively advancing “bottle to bottle” horizontal recycling, in which used PET bottles are turned into new ones, we are also engaged in developing technologies to replace materials with bio-based alternatives. Additionally, we are pursuing technological innovations to reduce GHG emissions, including developing the world’s first F-to-P direct recycling technology.\*

\* Joint development among 4 companies including Kyoei Sangyo Co., Ltd.

➤ [For more information, see Recycle: “Bottle to Bottle” Horizontal Recycling](#)

### Risk Management

In the EU, regulations on single-use plastic products are being strengthened, including the adoption of the Packaging and Packaging Waste Regulation (PPWR). We recognize that failing to adapt product design and environmental responses to these changes can have a direct impact on manufacturing costs and Suntory Group’s reputation.

With this understanding, Suntory Group is advancing risk identification and implementing countermeasures through collaboration between GRMC and GSC.

Additionally, we actively participate in alliances and initiatives aimed at addressing environmental challenges caused by plastics, such as the Japan Clean Ocean Material Alliance (CLOMA) and the Global Plastic Action Partnership (GPAP). We view participation in these initiatives as a crucial element for environmental risk management enabling us to address a wide range of issues through information exchange, sharing of best practices globally, and collaborating with diverse industries, governments, and international organizations.

## Indicators and Targets

Our Goals	Targets	Results
Percentage of sustainable materials used in PET bottles*	2030 100%	2024 35%

\* Percentage of sustainable materials (e.g., recycled materials or bio-based materials) in terms of PET bottle weight

## Our Initiatives

### Initiatives for Plastic

Based on our Plastic Policy and “2R+B” (Reduce, Recycle + Bio) strategy, we aim to make our PET bottles 100% sustainable converting all PET bottles used globally to 100% recycled or bio-based, materials, eliminating the use of virgin petroleum-based materials —by 2030.

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

### Cans/Bottles/Barrels/Paper Packaging/Cardboard

Under the 3R principles of Reduce, Reuse, and Recycle, we are advancing efforts toward environmentally conscious packaging. We are strengthening efforts across all 3 aspects: making containers and packaging lighter to Reduce, collecting and reusing containers for Reuse, and promoting container recycling for Recycle.

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



## Context

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Addressing climate change is one of the most critical challenges for Suntory Group in terms of business continuity and sustainable growth. Suntory Group's operations, supported by natural resources such as water and crops, could be significantly affected by risks such as water shortages and reduced crop yields due to climate change. For example, a shortage of water, our principal ingredient, could lead to a temporary halt in plant operations, potentially leading to missed opportunities, while decreased agricultural yields may increase the cost of procuring ingredients.

On the other hand, rising temperatures also present new business opportunities, such as the growing demand for bottled water and beverages that prevent heat stroke.

Given the presence of both risks and opportunities, Suntory Group declared our support for the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in 2019 and have incorporated the analysis of business impacts from climate change and corresponding measures into our management strategy.

## Governance

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Suntory Group has established a clear governance structure, overseen by our Board of Directors, to address climate change challenges. Our Board of Directors regularly monitors our strategies and initiatives related to climate change, receiving reports from our Global Sustainability Committee (GSC) and Global Risk Management Committee (GRMC). The GSC deliberates on mid- to long-term strategies relating to water resources, climate action, and other sustainability issues, while the GRMC is the central element of our Group-wide risk management system, discussing and monitoring key risks, including those related to climate change. The GSC and GRMC are also responsible for establishing Risk Management Committees and Sustainability Committees at each of our key operating companies, and drafting and implementing concrete strategies and measures relating to climate change at the individual business level. Key issues explored by these 2 Committees are brought before the Board of Directors, who conduct the ultimate deliberations and decision-making.

Responsibility for and initiatives around climate action are also incorporated into our business strategy at the senior management team level. Our President takes ultimate responsibility for our climate action, while our Chief Sustainability Officer is in charge of evaluating and managing climate change-related risks and opportunities. Sustainability targets are part of the evaluation criteria for executive compensation, and the degree to which climate action targets are being met is reflected in evaluations and compensation of our senior management team. Every quarter, our Board of Directors also receives reports on the progress of our climate action measures and risk status, alongside which they hold regular seminars with external expert guests, allowing them to integrate advice based on the latest information into their management practices. With this structure, we have firmly anchored our initiatives on climate change within the Group's business strategy and decision-making process.

## Strategy and Risk Management

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Suntory Group's climate action strategy involves approaching the issue from 2 angles: promoting decarbonization and strengthening our business resilience (our ability to adapt to climate change). We began by investigating and identifying a comprehensive list of the risks and opportunities that may be brought about by climate change, then conducting scenario analyses that evaluates the degree of business impact and likely incidence of these risks over the short- (0–3 years), mid- (3–10 years), and long-term (10–30 years).

We hypothesized various sets of future business conditions, using the Intergovernmental Panel on Climate Change (IPCC)'s RCP8.5 scenario to represent a situation in which global warming progresses, and the International Energy Agency (IEA)'s Net Zero Emissions by 2050 Scenario (NZE Scenario) to represent one in which decarbonization is advanced, among others.

This allowed us to identify rising costs due to the introduction of carbon taxation, insufficient water supply to our production sites, and increased costs for procuring ingredients due to reduced crop yields as risks that could potentially have a particularly significant impact on our business.

➤ [For more information on financial impacts, see our Disclosure Based on TNFD & TCFD.](#)

Suntory Group is taking the following strategic measures in response to the key risks we have identified.

- **Addressing Transition Risk (Increased Carbon Costs):**

Starting in 2021, we adopted an internal carbon pricing framework within the Group to incorporate carbon pricing into our capital investment decision-making. We plan to have invest approximately 100 billion yen by 2030 to promote decarbonization, actively transitioning to renewable energy and introducing energy-efficient equipment. These investments are expected to reduce annual greenhouse gas (GHG) emissions by approximately 1 million tons as of 2030.

- **Addressing Physical Risks (Water Resources):**

We conduct water risk assessments for all our owned production sites to evaluate the water resource conditions of their locations and identify water usage risks, including areas with high water stress. Our goal is to return more than 100% of the water used in our factories to the local communities through efforts to improve and reduce water usage efficiency at the plants, as well as through water resource conservation activities.

- **Addressing Physical Risks (Ingredient Procurement):**

We predict and evaluate future yield changes of agricultural raw materials based on climate models to develop stable procurement strategies for key ingredients. We are adopting measures to mitigate climate change impacts on our ingredient procurement, advancing initiatives including piloting sustainable agricultural practices in collaboration with our suppliers and other business partners.

- **Addressing Other Risks:**

We are also taking action on acute risks such as flooding caused by major typhoons or torrential rainfall, conducting hazard and risk assessments at all Suntory Group sites and incorporating the findings into our disaster plans and business continuity plans.

At the same time, climate change also presents new opportunities for Suntory Group. As average temperatures rise and heatwaves multiply, demand for beverages that prevent heat stroke and for bottled water is expected to grow. To meet this expanding demand, we are investing in enhancing production capacity and strengthening product line-up. Proactive initiatives to address climate change also enhances our corporate brand value and provides the opportunity to expand our support among environmentally conscious consumers.

For many years, Suntory Group has continued initiatives such as the Suntory Natural Water Sanctuary Initiative, which aims to enhance forest water resource recharge functions and restore biodiversity and Mizuiku - education program for nature and water, an environmental education program for the next generation. We strive to enhance social recognition of these activities to build trust in our brand and maintain market advantage. Additionally, from a resource circulation perspective, we pursue innovations such as the development of advanced recycling technologies for used PET bottles to achieve both raw material cost reductions and GHG emission reductions.

Suntory Group's climate action strategy and our action on risks and opportunities related to this issue are implemented within the framework of our integrated risk management system. This system comprehensively manages risk across the Group, with the GRMC playing a central role and Risk Management Committees and Teams in place at each of our operating companies. Through it, we identify, assess, and monitor major risks, including climate change risks, on an annual cycle. Key subjects discussed by the GRMC and GSC are brought before the Board of Directors, and planning, execution, and evaluation (PDCA) of measures are carried out on an ongoing basis, approved and overseen by our senior management. Through this governance system, we aim to enable agile and systematic responses to climate change risks while reliably incorporating climate-related opportunities into our business strategies.

## Indicators and Targets

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Suntory Group has set and disclosed clear indicators and numerical targets to measure progress in addressing climate change. In our long-term vision, Suntory Environmental Vision toward 2050, we aim for net-zero GHG emissions across the entire value chain. Our mid-term plan, Environmental Targets toward 2030, specifies concrete GHG reduction targets for 2030.

The GHG reduction targets outlined in the Environmental Targets 2030 have been certified by the Science Based Targets initiative (SBTi) as being aligned with the Paris Agreement's 1.5°C target.



Our key targets are outlined below.

- **Environmental Targets toward 2030:**

Reduce GHG emissions from our direct operations by 50%,\* reduce GHG emissions across our entire value chain by 30%\*

- **Environmental Vision toward 2050:**

Aim for net zero GHG emissions across the whole value chain

\* Based on emissions in 2019.

To achieve these goals, we disclose our GHG emissions performance and progress annually and ensure thorough monitoring based on KPIs.

Using 2019 as the baseline year, we calculate GHG emissions (Scope 1, 2, and 3) and assess the numerical impact of reduction measures. As of fiscal year 2024, we have achieved a 32% reduction in Scope 1 and 2 emissions compared to 2019, and a 13% reduction across the entire value chain, putting us on track to meet our 2030 targets.

Additionally, we have accelerated our adoption of renewable energy at our business sites. By 2022, we achieved 100% renewable energy usage for electricity at 63 major company locations globally. We also set environmental KPIs, including energy efficiency, renewable energy ratio, and water usage, to quantitatively assess our climate change mitigation and adaptation efforts. Moving forward, we will continue to manage progress based on these indicators and implement measures according to our roadmap toward achieving net-zero by 2050.

## Our Initiatives

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Suntory Group is engaged in efforts to reduce GHG emissions across the entire value chain and to adapt to climate change. We aim to achieve net zero GHG emissions across our entire value chain by 2050 and have set out 2030 targets of reducing emissions from our own operations (Scope 1 and Scope 2) by 50% and emissions throughout our value chain (including Scope 3) by 30%, compared to 2019 levels. To achieve these targets, we are implementing measures at each stage, from procurement of ingredients to production and logistics, all the way to delivery to our customers.

- **Raw Material Procurement and Supply Chains:**

In the production and procurement stages of raw materials, we work with business partners to promote GHG emission reductions. Every year, we hold policy briefings for our major business partners where we share our sustainability initiatives, and conduct surveys and engage in dialogue to help them set emissions reduction targets. Additionally, we are incorporating methods such as regenerative agriculture to reduce GHG emissions and enhance climate resilience associated with raw material production. For example, in sourcing barley as a malt ingredient, we are collaborating with overseas partners and farmers to implement soil regeneration and agricultural improvements, balancing agricultural GHG emission reductions with biodiversity conservation. In packaging materials, we are also working to use recycled materials and reduce the weight to reduce the carbon footprint at the raw material procurement stage.

- **Production (Suntory Sites):**

We are accelerating energy conservation efforts and the introduction of renewable energy to reduce emissions from our plants and business sites (Scope 1 and 2). We have implemented internal carbon pricing in our investment decision-making, prioritizing projects with significant GHG reduction impacts. In Japan, we have installed photovoltaic systems and switched to biomass boilers, and are also venturing to leverage next-generation infrastructure, including adopting large-scale energy storage solutions and hydrogen systems at our plants. For example, we are currently in the process of installing a 16-megawatt P2G system, which will use renewable energy to produce hydrogen, at our Hakushu facilities in Yamanashi Prefecture, aiming for operation in 2025. In addition, our mineral water plant in Nagano Prefecture has become Suntory's first production plant in Japan to achieve net zero CO<sub>2</sub> emissions by utilizing solar and biomass energy, sourcing additional energy from renewable sources, and offsetting. In addition to these advanced measures, we are also promoting energy efficiency improvements and equipment optimization across all sites to meet our 2030 goals.

- **Logistics:**

We are working together with our partner logistics companies to reduce GHG emissions associated with product transportation and delivery. We are advancing efforts to optimally position our production sites and sales areas in order to reduce the distance that products must travel from our plants to their delivery destinations, and are cooperating with other companies on joint distribution, shared container shipping, and other solutions to increase efficiency. Our approach to truck transportation includes increasing the load factors of the large vehicles we use and switching to alternative fuel vehicles or rail transport, allowing us to implement transportation with lower GHG emissions compared to conventional methods. At distribution centers for our products, we have collaborated with partner companies to obtain Green Management and ISO 14001 certification, and monitor energy usage and GHG emissions for individual warehouses and vehicles to facilitate improvements in these areas. These measures enable us to balance environmental impact reduction with efficiency improvements in logistics.

- **Product and Customer Contributions:**

As part of our adaptation measures to climate change, we aim to contribute to society through our products and services. For example, we are developing and providing functional beverages suitable for preventing heatstroke, addressing the risks posed by rising temperatures. We

continue to conduct awareness activities for consumers and communities, such as heatstroke prevention seminars in supermarkets and elementary schools. Moreover, we contribute to global action on climate change by participating in international initiatives. Suntory Group's goals have been approved to be aligned with 1.5°C targets by the Science Based Targets initiative (SBTi) and we signed onto the Business Ambition for 1.5°C campaign. We have also endorsed the TCFD recommendations and conduct scenario analysis and information disclosures in line with these.

➤ **For more information, see [Climate Action](#).**

➤ **For more information, see [Disclosure Based on TNFD & TCFD](#).**





## Context

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Due to the rise in average temperatures caused by climate change, extreme weather events such as droughts and floods are predicted to impact production activities significantly, affecting production volumes and shifting suitable cultivation areas. In production and procurement, social issues that may negatively affect the human rights of those working within the supply chain are evident. To offer our customers high-quality products and services, at Suntory Group, we believe it is crucial to promote sustainability throughout our entire supply chain. This means we need to give due consideration to environment and society, as well as to safety and reliability.

## Governance

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### Global Sustainability Committee

At Suntory Group, we have established a system to promote environmental management centered around the Global Sustainability Committee (GSC). Under the supervision of the Chief Sustainability Officer, GSC formulates strategies related to the 7 key themes of sustainability, which include water, climate action, raw ingredients, containers and packaging, health, human rights, and lifestyle culture. GSC also oversees the progress of these strategies and analyzes the business risks and growth opportunities, reporting to the Board of Directors on a quarterly basis.

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

## Strategy and Risk Management

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### Strategy

#### Business Partner Selection and Collaboration

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When doing business with business partners, we fairly evaluate the quality and supply capabilities of each business partner's products and services, their financial condition, safety measures, environmental conservation, and social contribution based on Suntory Group's Basic Policy on Sustainable Procurement.

Suntory Group's Basic Policy on Sustainable Procurement was established to further strengthen sustainability with regard to internationally recognized important issues, including the prohibition of child labor and forced labor, respect and support for the right of freedom of association and the right to collective bargaining, reduction of excessive working hours, and the guarantee of a living wage.

Under this policy, we also established the Suntory Group Partner Guidelines. These guidelines put in place specific compliance items required in each field from human rights and legal compliance to the environment for business partners of Suntory, including suppliers and customers, to confirm the same ethical values are shared between the Suntory Group and its partners. Compliance with these guidelines is a prerequisite for engaging in a business relationship with suppliers, and we require both new and current suppliers to sign off on their compliance with the guidelines. We hold annual policy briefings for our major business partners to inform and seek their understanding.

## Collaboration with Business Partners

Suntory Group is promoting pioneering activities in collaboration with diverse partners to reduce GHG emissions and address environmental and social challenges, such as human rights, throughout the value chain.

### Promotion of Sustainable Agriculture

- Initiative to Procure Barley, Corn and Sugarcane Produced through Regenerative Agriculture
- Initiatives in Collaboration with Green Tea Production Area
- Supporting Sustainable Agriculture of Blackcurrant Farmers
- Promoting Sustainable Procurement in Upstream Supply Chain for Coffee
- Engagement with Local Coffee Farm to Improve Community Resilience

### Response to Climate Change

- Data Collection, Target Setting and Sharing of Best Practices
- Support for Transition to Sustainable Agricultural Practices

### Water Resource Stewardship

Regenerative agriculture is attracting attention for its potential to mitigate and adapt to climate change by reducing GHG emissions through reduced use of chemical fertilizers and pesticides, as well as restoration of soil biodiversity which boosts soil fertility and effective water use. Suntory Group collaborates with suppliers to improve water-use efficiency in the production of water-intensive key raw ingredients in highly water stressed areas.

## Risk Management

### Stable Procurement of Raw Ingredients

Suntory Group considers the effects of extreme weather events caused by climate change, such as rising average temperatures, droughts, and floods, on essential crops and other raw materials as a significant risk. These conditions could lead to fluctuations in yield and shifts in optimal cultivation areas, greatly impacting production activities.

With this understanding, Suntory Group is identifying risks and opportunities while referring to scenarios from RCP2.6 (scenarios below 2°C), RCP 8.5 (4°C scenario) from the UN Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).

As part of efforts to ensure stable procurement of raw ingredients, we conduct impact assessments of future yield predictions due to climate change based on the source of the raw ingredients, and develop strategies for stable procurement.



➤ [For more information on our strategy, see Sustainable Procurement.](#)

### Respect for Human Rights in Supply Chains

We strive to respect the human rights of everyone involved in our business through dialogue and cooperation with various stakeholders, including employees, business partners, the local community, and NGOs. For human rights risks in raw ingredients, we have conducted a

potential risk assessment in collaboration with Verisk Maplecroft, a global risk consulting company, for our major ingredients using general country and industry data.

As a result, we have begun a risk assessment tracing back through the supply chain for the coffee beans where potential risks have been identified.

Additionally, we are a member of Sedex, the world's largest supplier ethical information sharing platform, and we conduct impact assessments using Sedex's SAQ\*. These SAQs evaluate the potential social risks in the supply chain by focusing on child labor, forced labor and other human rights issues as well as considerations toward the work environment and occupational safety.

\* SAQ:Self-Assessment Questionnaire

➤ [For more information, see Respect for Human Rights.](#)

## Our Initiatives

### Stable Procurement of Raw Ingredients

To ensure the sustained production of high-quality crops by producers, we are implementing supply chain initiatives for sustainable agriculture in 9 areas of agricultural production.

No.	Raw Ingredients	Source	Details of Initiative
1	Coffee	Guatemala	➤ <a href="#">Promoting Sustainable Procurement in Upstream Supply Chain for Coffee &lt;Guatemala&gt;</a>
2	Coffee	Brazil	➤ <a href="#">Promoting Sustainable Procurement in Upstream Supply Chain for Coffee &lt;Brazil&gt;</a>
3	Coffee	Uganda	➤ <a href="#">Promoting Sustainable Procurement in Upstream Supply Chain for Coffee &lt;Uganda&gt;</a>
4	Corn	USA	➤ <a href="#">Collaborating with Corn Farmers to Pioneer Regenerative Agriculture</a>
5	Barley	UK	➤ <a href="#">Initiative to Procure Malting Barley Produced through Regenerative Agriculture</a>
6	Sugarcane	Thailand	➤ <a href="#">Suntory Launches Low Carbon Sugarcane Farming Project in Thailand in Collaboration with VIVE Programme and KTIS</a>
7	Agave	Mexico	—
8	Blackcurrant	UK	➤ <a href="#">Supporting Sustainable Agriculture of Blackcurrant Farmers</a>
9	Grape	Japan	➤ <a href="#">Challenging Climate Change with a New Cultivation Technique for Wine Grapes</a>
10	Oranges	France	➤ <a href="#">For orange disease countermeasures, we carry out joint research with CIRAD (the French agricultural research and cooperation organization working for the sustainable development of tropical and Mediterranean regions)</a>

➤ [For more information about initiatives related to raw materials, see Sustainable Procurement.](#)



Our Focus Areas

## Health

## Context

The food and beverage industry is being called on, more than ever before, to contribute to consumer health by providing products that take into account nutrition and health.

In 2022, the World Health Assembly adopted the Global alcohol action plan 2022–2030 to reduce harmful alcohol use, and Japan's Ministry of Health, Labour and Welfare announced its Guidelines on Health-Conscious Drinking in February 2024. For alcoholic beverages, these and similar moves have increased appeals to raise awareness around appropriate drinking practices and promote responsible marketing. Suntory Group is enhancing our initiatives for appropriate product labelling and responsible marketing, working through our wide-ranging business activities to enrich our portfolio of nutrition- and health-conscious products and otherwise promote innovation for value creation, and supporting rich and comfortable lifestyles aligned with all stages of life.

## Governance

Suntory Group has established a system for promoting sustainability management centered on the Global Sustainability Committee (GSC) to formulate strategies, promote initiatives, and check on progress related to the 7 key themes of sustainability, which include water, climate action, raw ingredients, containers and packaging, health, human rights, and lifestyle culture. GSC also oversees the progress of these strategies and analyzes the business risks and growth opportunities, reporting to the Board of Directors on a quarterly basis. Our expert body, the ARS Committee, deals with alcohol-related issues, developing strategies for and promoting initiatives around practicing responsible marketing, raising awareness of appropriate drinking practices both internally and externally.

- [For more information on the Global Sustainability Committee, see Environmental Management.](#)
- [For more information on the ARS Committee, see Responsible Drinking.](#)

## Strategies and Risk Management

Suntory Group is dedicated to contributing to the physical and mental well-being and joy of our customers' lives. We are advancing the development of products that consider nutrition and health, expanding our portfolio of sugar-free, low-sugar, and non-alcoholic beverages. At Suntory Beverage & Food Limited, which oversees our food and beverage business, we have established our Health Policy to guide our efforts in supporting people to achieve healthier lifestyles.

### Suntory Beverage & Food Limited Health Policy

1. In order to satisfy the health needs of consumers worldwide, we will continue to expand our portfolio of products which satisfy your taste buds, body and mind, as well as provide services to contribute to healthy and positive lifestyles.
2. We will perform research that contributes to the health of consumers and will develop more natural, healthy products for world by using the expertise we have cultivated in Japan over many years in developing beverages which are sugar-free, low-sugar,

and fortified for better health.

3. We will base labeling and communication on the guidelines from government agencies and industry groups in each country and region, and will endeavor to make it easier for consumers to select healthy beverages.
4. We will contribute to solving global health issues through joint research with external specialized institutions and through other communication with various stakeholders.

We also support mental and physical self-care through our beverages and promote healthy behaviors utilizing digital tools contributing to healthier choices that support daily wellbeing.

In addition, in response to nutrition labelling becoming mandatory in countries such as, as well as the strengthening of self-regulation in the beverage industry, we are focusing on opportunities to enhance health contributions in the global market.

Societal concerns and the trend toward stronger regulations around health risks are also becoming significant external factors for our business. In the alcohol sector, in particular, informed by the WHO's Global alcohol action plan 2022–2030 alcohol consumption guidelines from Japan's Ministry of Health, Labour and Welfare, there is demand for promoting responsible drinking and age-appropriate marketing practices. Suntory Group strictly enforces internal review systems and self-regulatory rules based on industry standards. In addition, through our global initiatives such as the DRINK SMART® program, we promote responsible communication and provision of information aligned with the cultural norms of each country and region in which we operate.

## Indicators and Targets

Health-related indicators and targets are set by each of our companies and each of the countries in which we operate.

For more information, please refer to the following pages for specific initiatives, as well as each Group company's sustainability reports.

- [For more information, see Responsible Drinking.](#)
- [For more information, see Positive Choices.](#)
- [Suntory Beverage & Food Europe Sustainability Report](#) 
- [Suntory Global Spirits Sustainability Report](#) 

## Our Initiatives

### Product Portfolio

#### Soft Drinks

Suntory Beverage & Food Limited is enhancing its portfolio of products that satisfy the mind and body while delighting the taste buds. Worldwide, it is developing products that use less sugar, food for specified health uses (FOSHU) and foods with function claims (FFC) to address health issues, and products that minimize the use of artificial colorings and flavorings.

- [For more information on our product portfolio, see Soft Drinks.](#)
- [The Tokucha \(FOSHU Iyemon\) Development Story](#)  
[Iyemon Tokucha: a Delicious FOSHU and a Major Hit, Developed Through Research into Polyphenols \(in Japanese\)](#) 

#### Alcoholic Beverages

In addition to promoting responsible drinking, Suntory Group is developing non-alcoholic beverages for a broad range of adult consumers of legal drinking age to enjoy without worrying about the effects of alcohol. In 2010, we launched "All Free" and in 2011 "Non-al-kibun", pioneering the creation of a market for non-alcoholic beverages with an alcohol content of 0.00%. In recent years, we have expanded our product lineup with the release of "All Free for Your Body," a food with functional claims, in response to growing health consciousness, "Non-al-

banshaku Lemon Sour Non-alcoholic," a lemon sour-flavored beverage, and "Non-al-de-wine-no-kyujitsu," a wine-flavored non-alcoholic beverage.

## Health Foods

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Scientific evidence is essential for health foods. Suntory Group bases its efforts on brewing technology cultivated over more than 100 years, continuously striving to harness nature's strength for maintaining health through foundational research. Suntory Institute for Science of Life undertakes research and development with a focus on the science of aging, including research on sesamin, a component found in miniscule quantities in sesame seeds—themselves an ingredient that has been considered beneficial for physical health since ancient times—and studies relating to brain and motor system health. Innovative products developed by the Institute include Sesamin EX, Omega Aid, and Locomre. These products are offered by Suntory Wellness, which handles the Group's health business, and their development continues through active customer engagement.

➤ [For more information, see Suntory Wellness. \(in Japanese\)](#) 

## Responsible Marketing

### Marketing for Alcoholic Beverages

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In Japan, our Global ARS Department internally reviews all marketing activities for products containing alcohol prior to launch, to ensure both legality and appropriateness, preventing any improper marketing practices. In 2006, we systematized pre-screening for product labeling, and in 2007, we revised our internal standards for advertising and sales promotion activities for alcoholic beverages to further strengthen our efforts. Since 2007, we have continued to promote responsible marketing activities by updating our standards in cooperation with industry associations and by conducting regular training sessions in relevant departments.

In addition, as part of Suntory Group's global Drink Smart® initiative, we collaborate with relevant organizations to implement programs tailored to the specific needs and cultural aspects of each market, based on fundamental principles such as preventing underage drinking and drunk driving, promoting responsible drinking, and consideration for those who do not drink.

➤ [For more information, see Practice Responsible Marketing.](#)

### Marketing to Children

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Suntory Beverage & Food Europe (SBFE) is a signatory of the EU Code of Conduct on Responsible Food Business and Marketing Practices. SBFE also participates in UNESDA's\* Responsible Marketing in Schools program and is audited on its implementation of the program.

In addition, the company does not market directly to children under the age of 16 in any country where it sells its products, in accordance with the SBFE Responsible Code of Marketing and Communications, which it established in December 2023. It also implements initiatives in line with the policies of the countries and regions in which it operates.

\* UNESDA = Union of EU (European Union) Soft Drinks Associations

➤ [2024 Progress Report on the EU Code of Conduct on Responsible Food Business and Marketing Practices](#) 

➤ [For more information on our initiatives, see Responsible Marketing.](#)

## Responsible Product Labelling

### Soft Drinks

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Suntory Group recognizes the importance of providing nutrition information about our products, enabling consumers to make informed choices. We strive to provide consumers with necessary information promptly and appropriately, including details related to safety and security. We also work to ensure that the phrasing used for our product labels, advertisements, publicity, and other materials is accurate, clear, and leaves no room for misunderstandings. Furthermore, Suntory Group's Code of Business Ethics stipulates that we must conduct responsible marketing as a corporate group that offers diverse products and services.

Regarding product labeling, the Quality Assurance Division collaborates with related divisions in charge of development and production across Group companies to establish a system that ensures legal compliance and accuracy, thereby promoting clear and precise labeling.



➤ [For more information on our beverage labels, see Appropriate Information Disclosure.](#)

## Alcoholic Beverages

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In accordance with voluntary standards established by the alcohol industry, all alcoholic products in Japan carry health warning labels to prevent underage drinking, as well as to caution pregnant and nursing women. Additionally, beer and ready-to-drink (RTD) products display an “alcohol” mark to ensure that they cannot be mistaken for juice.

Internationally, Suntory Global Spirits includes key nutrition information on both brand packaging and the Drink Smart website, along with symbols and messaging warning against drinking during pregnancy, drinking and driving, and underage drinking.

➤ [For more information, see Practice Responsible Marketing.](#)

## Helping Build Healthy Lifestyles

### Support for Mental and Physical Self-care

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In 2024, Suntory Beverage & Food International launched the menphys Project, aimed at helping young people dealing with mental or physical conditions or concerns that they may find difficult to talk about, using beverages, a familiar presence, to encourage positive steps forward. Spearheaded by young Suntory Group employees who identify with these challenges, the initiative supports self-care by resonating with young people’s desire to understand, respect, and confidently be themselves.

➤ [Official menphys website \(in Japanese\)](#) [🔗](#)

### Promoting Health and Productivity Management

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Today, engaging with health and productivity management and promoting the health of employees, who are vital resources, is indispensable for any business. Suntory Group operates SUNTORY+, a health management service that supports corporate health and productivity management. This app combines “real-world” and digital elements\*<sup>1</sup> and delivers reminders effectively, boasting a high continuation rate.\*<sup>2</sup> It contributes to improving health literacy and promoting behavioral changes employees of companies where it has been introduced.

\*<sup>1</sup> The app displays various tasks related to healthy behaviors that users can complete to receive points, coupons, and other rewards that can be exchanged for beverages at vending machines set up at our locations

\*<sup>2</sup> 84%. Definition of continuation: app used once or more in the second month after first use

➤ [Suntory’s digital initiatives: SUNTORY+ \(in Japanese\)](#) [🔗](#)

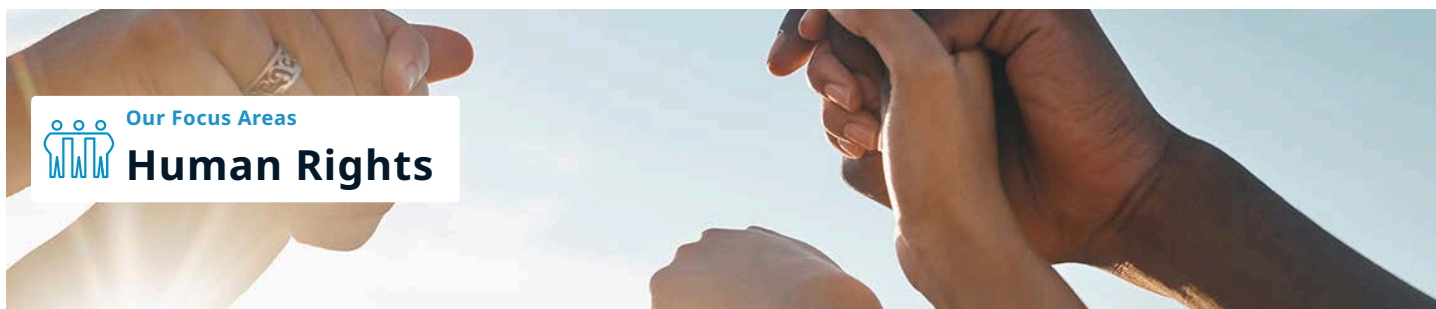
### Supporting Lifestyles that Shines at Any Age

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We offer the Comado health-tracking app to Suntory Wellness customers. Downloaded by over 600,000 people within a year since its launch, this app allows users to earn points by engaging in healthy behaviors and contributes to behavior change and the establishment of healthy habits, particularly among seniors.

We are also promoting the “Be supporters!” project, which aims to encourage the elderly residents and individuals with dementia in senior care facilities to become supporters of local soccer clubs, invigorating them both mentally and physically.

➤ [For more information, see Be supporters! \(in Japanese\)](#) [🔗](#)



## Context

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For Suntory Group, which operates globally, respecting the human rights of everyone involved in our business is a crucial responsibility and a foundation for sustainable growth.

Under the Suntory Group Human Rights Policy, we emphasize dialogue with stakeholders and strengthen our efforts to promote respect for human rights across the entire value chain.

In this Human Rights Policy, Suntory Group clearly states our commitment to upholding internationally recognized standards for human rights, including the United Nations' International Bill of Human Rights and Guiding Principles on Business and Human Rights, as well as various labor standards (including the International Labour Organization's core labor standards: freedom of association and the right to bargain collectively, abolition of forced and child labor, and elimination of discrimination in employment).

## Governance

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The Suntory Group Human Rights Policy establishes a clear governance structure to ensure implementation of our human rights initiatives. Our Human Rights Policy is developed and revised with the approval of our Board of Directors, which also supervises the reporting and oversight of all important matters relating to human rights.

At the management level, our Chief Sustainability Officer takes Group-wide responsibility for ensuring respect for human rights and we guarantee commitment to these issues from our top management through measures such as incorporating progress on human rights initiatives and similar metrics into evaluations for executive compensation.

To deal with more practical aspects, we have established a multidisciplinary Human Rights Working Team that brings together functional divisions such as our sustainability, supply chain, human resources, legal, and compliance divisions, as well as major operating companies, to formulate strategies and monitor policy progress on a regular monthly basis. This Team relays its activities to the Global Sustainability Committee, and reports to and engages in discussion with the Board of Directors as necessary.

In addition, human rights issues have also been integrated into our Group-wide risk management process, and our Global Sustainability Committee collaborates with our Global Risk Management Committee to discuss actions to be taken, positioning human rights risks as one of the top priorities. In Japan, we have operated Human Rights Education Promotion Committees at individual business site level, and continue to promote human rights awareness and take action on any issues on a regional basis.

## Strategy and Risk Management

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Suntory Group carries out human rights due diligence (HRDD) at a global level. In the Suntory Group Human Rights Policy, we identified significant human rights risk areas within our operations, such as child labor, forced labor, long working hours, fair wages and benefits, discrimination and harassment, freedom of association and the right to bargain collectively, access to remedy, and occupational safety and health. With a focus on these priority themes, we carry out regular human rights risk assessments for both within our operations and throughout our value chain. During these assessments, we leverage dialogues with external human rights experts and NGOs, information from United Nations and industry body reports, and global risk data (for example, Verisk Maplecroft indices) to identify and prioritize potential risks. Particularly within the supply chain, we emphasize the risks of child and forced labor at raw material procurement sites, using platforms such as use the Sedex platform and SMETA auditing to monitor the working environments provided by our business partners. Our HRDD process

encompasses not only risk identification and evaluation, but also incorporates a PDCA cycle that includes preventative and corrective measures. If any negative human rights impact from Suntory Group's business activities becomes evident, we promptly implement corrective action to rectify the situation and offer remedy to those affected. These initiatives are integrated with our global operational risk management and are reflected in our strategy through regular reporting and reviews.

## Human Rights Due Diligence

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Suntory Group has identified key themes for global human rights, including forced labor and human trafficking, child labor and dangerous or hazardous work for young workers, discrimination, and foreign and migrant workers' rights, and promotes human rights due diligence in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs).

This process is led principally by our Human Rights Working Team, which consists of members from functional divisions such as our sustainability, supply chain, human resources, legal, and compliance divisions. This Team regularly formulates strategies and monitors progress on various actions, reporting its activities to the Global Sustainability Committee and additionally to the Board of Directors when necessary.

Within our human rights due diligence process, we give particular consideration to the human rights of women, children, migrant workers, and other vulnerable groups. Our efforts take into account the United Nations Women's Empowerment Principles, the same organization's Children's Rights and Business Principles, and similar frameworks.

### Identifying, Evaluating, Preventing, and Rectifying Adverse Impacts

Specifically, we identify and assess human rights risks within our own operations and across our supply chains on an ongoing basis, allowing us to take preventative and mitigatory measures. We regularly engage in dialogue with external experts and international NGOs, and incorporate the latest developments in global human rights risks into our strategies.

We utilize international risk data (such as indicators from Verisk Maplecroft) and Sedex's Self-Assessment Questionnaires (SAQ) and third-party audit information (SMETA) to evaluate potential human rights risks at approximately 90 of our production sites and key raw material procurement locations. Based on these assessments, we prioritize high-risk countries, regions, and materials for detailed investigations (impact assessments) and corrective support.

For issues found in the course of our ongoing monitoring, we engage in dialogues with our business partners, while coordinating with external expert bodies and NPOs to introduce measures for improvement.

### Education and Training

Internally, we conduct training and ensure awareness of our Human Rights Policy among our employees, including executives. We also request that our business partners respect human rights by providing guidelines and incorporating relevant clauses into contracts.

## Grievance Mechanism

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At Suntory Group, if any negative human rights impacts stemming from our business activities are identified, we are committed to engaging in prompt corrective action through appropriate procedures that follow international standards. To this end, we have established several contact points for consultation and reporting both within and outside the Group, and a system for responding to any grievances or reports of harm. We ensure the protection of the privacy of any persons making a report and prohibit retaliation at all touchpoints, while relevant departments collaborate to resolve issues.

### Internal Grievance System

We have set up a Compliance Hotline (internal reporting system) for employees both in Japan and overseas, which can be used for consultations or reporting on any issue, including those relating to human rights. In Japan, Hotline contact points include a third-party law firm,

while overseas, we have established a shared global contact point with 24-hour reporting in a range of languages (including Japanese, English, Chinese, and Spanish). To ensure that anyone making a report suffers no detrimental treatment as a result, our employment regulations stipulate a prohibition on any retaliatory behavior, and we follow up with those who submit reports afterward to ensure that they are fully protected. In 2024, the Group primarily related to labor, personnel, and management issues, with no reports related to child labor or forced labor. In all cases, including where these reports involve human rights issues, we engage in appropriate investigations and corrective actions.

## **External Grievance System**

We have set up contact points for receiving human rights-related grievances from external stakeholders, including business partners and local communities. Our business partners—including our primary suppliers—and individuals from our local communities can currently make reports to our Customer Center or our Business Partner Compliance Hotline (in either Japanese or English). Reports are then handled by the appropriate internal department, according to the content.

We expect business partners to also establish similar grievance mechanisms within their own organizations and implement anti-retaliation measures, striving to ensure human rights are upheld throughout the supply chain. Further, in 2023, we joined the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI), to enhance access to remedy for our migrant workers, including technical intern trainees. JP-MIRAI is operated by an independent NPO and provides an anonymous consultation service with 9 supported languages so that migrant workers can use the service in their native languages. Suntory Group has a system in place to swiftly conduct risk analysis and take corrective action upon receiving consultation reports from the service.

## **Toward Corrective Action**

Suntory Group engages in the appropriate investigations and corrective actions regarding any human rights issues brought to our attention through our internal or external grievance mechanisms, and provides feedback to those who reported the issue and all affected by it. We monitor the progress of corrective actions until their completion and apply a rigorous process for progressing onto measures that will prevent recurrence. For example, since 2019, we have confirmed the completion of corrective actions for 502 out of 544 major issues regarding w identified in audits of our suppliers. We continue to work with business partners to address the remaining issues.

As outlined above, Suntory Group has established due diligence and remedy processes based on our Human Rights Policy in accordance with international standards. We are advancing responsible initiatives to meet the expectations of our I stakeholders.

➤ **For more information on this subject, see [Respect for Human Rights](#)**



Our Focus Areas

## Enriching Life

## Suntory Group's Commitment and History

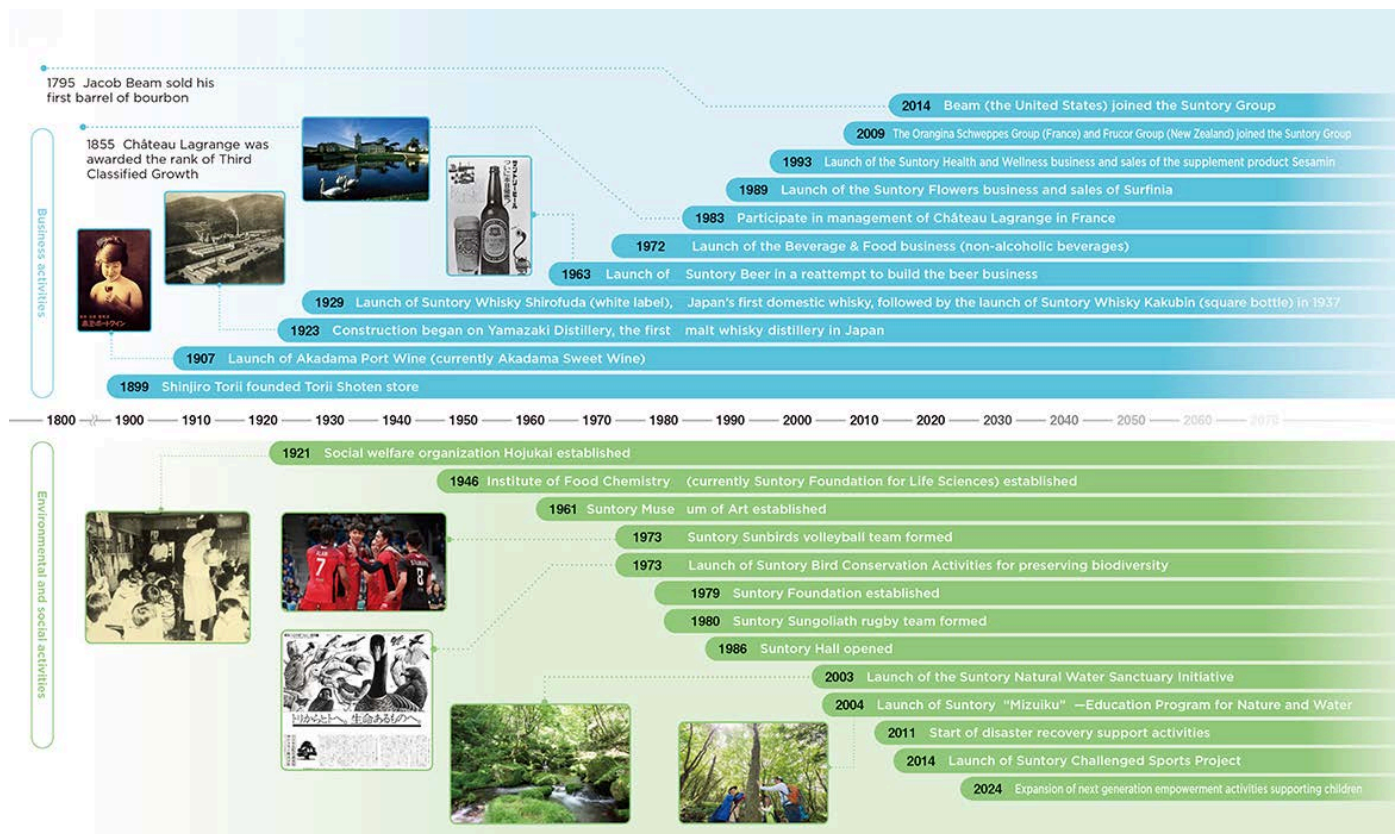
### Our Mission is to Create Rich Experiences for People, in Harmony with Nature and Society

Suntory Group's origins can be traced back to founder Shinjiro Torii and his ambition to make grape wine.

At a time when Western liquors were a rare commodity in Japan, he tried and failed many times to create a taste that would suit the Japanese palate before eventually creating Akadama Port Wine (today Akadama Sweet Wine). After paving the way for Japan's Western liquor culture with the launch of Akadama Port Wine, Suntory embarked on the journey to create Japan's first whisky and also ventured into new areas such as beer and non-alcoholic beverage markets. The growth of Suntory Group is supported by a history of challenges and innovations aimed at creating new value to enrich lifestyle culture.

### Sharing Business Success with Stakeholders and Society for Mutual Development and Growth

Under Shinjiro Torii's belief in the principle of Giving Back to Society, which holds that what we gain from our business activities should not only be reinvested in the company but also to caring for consumers and partners and contributing to society, Suntory Group has engaged in a various activities alongside our business operations for over a century. These activities encompass a wide range of areas, focusing on environmental conservation, but also including culture, arts, academia, welfare, sports, support for earthquake recovery, and nurturing the next generation. This enduring spirit of Giving Back to Society, which Suntory Group has upheld since its founding, remains a foundational value today.





## Our Initiatives

### Driving Force Behind New Value Creation

Based on the belief that R&D is the lifeblood of a manufacturer, Suntory Group has refined its distillation technology and the use of microorganisms and enzymes in the process of developing a variety of products, including alcoholic beverages.

Furthermore, we have accumulated technology and know-how in areas such as food processing and analysis. We also conduct extensive R&D, including the search for new health ingredients and studies on their health benefits.

Stemming from our desire to be a part of everyday life, enriching their daily experiences to inspire the brilliance of life, Suntory Group continues to take on challenges in a variety of fields beyond alcoholic beverages, including soft drinks, health foods, restaurants and flowers.

### Providing Healthy Options to Consumers Everyday

To help address social issues such as the rise in lifestyle diseases like obesity and high blood pressure, Suntory Group offers a variety of products known in Japan as food for specified health uses (FOSHU) with proven benefits backed by research. This lineup includes: Kuro Oolong Tea OTPP, developed based on research showing oolong tea's polymerized polyphenols have the effect of inhibiting fat absorption; Suntory Goma Mugicha (barley tea), suited for people with high blood pressure; Pepsi Special Zero, which inhibits fat absorption; and Tokucha (FOSHU Iyemon) series, the world's first beverage to clarify the lipolytic action of quercetin glucoside. The portfolio also includes other products such as Iyemon Plus Cholesterol Control, a functional claim beverage that can lower LDL cholesterol. While seeking to eliminate negative health impacts and contribute positively to consumers' well-being, we also emphasize great taste, pursuing research and development to ensure that our products are both healthy and great-tasting.

Utilizing knowledge gained through many years of research in Japan regarding the development of low- and no-sugar beverages (such as tea and water), we are developing new beverages that are healthy for the mind and body.



### Creating Enriching Moments for All, Whether They Enjoy Alcohol or Not

Our dedication to creation of new value is also reflected in the proposition of new dining and drinking culture.

We hope that everyone, whether they drink alcohol or not, can enjoy rich experiences with our discerning products that bring a smile to people's faces. To convey this message even more effectively, Suntory Group launched a new campaign in November 2024 in Japan, focusing on responsible, diverse ways to enjoy alcohol in moderation. The campaign explores the cultural roots of alcoholic beverages, and emphasizes the realization of a society in harmony with alcohol through awareness of responsible drinking.





## Blue Rose and Sesamin Borne from Suntory's DNA

Suntory Group has many products created from its tireless efforts to boldly take on new challenges.

The development of the blue rose, which was said to be impossible, and Sesamin EX represent the culmination of Suntory's cutting-edge biotechnologies and the efforts of its scientists tirelessly dedicated to research, undeterred by setbacks. Even when they don't achieve the desired experimental results, they don't view it as merely a failure. Instead, they use it as a clue for the next experiment and continue their research.

This unwavering attitude of persistence is a key component of Suntory's DNA that has been passed down since founding.



### Sesamin EX

This unique combination of sesamin, a rare dietary supplement found in small amounts in sesame seeds, vitamin E and other nutritional elements helps support vitality and youthfulness for people in their 40s and beyond. This anti-aging supplement was developed using Suntory Group's research into sesamin and solid technical expertise cultivated over its long history.



The term "blue rose" in English once signified "the impossible (a non-existent object)." The existence of the impossible--the blue rose--has now come to symbolize Suntory's DNA.

## Bringing Color and Joy to More People's Lives

Suntory Group is actively involved in a variety of artistic and cultural endeavors to bring color and richness to people's lives and enrich people's lives and culture.

Suntory Museum of Art, with its basic philosophy of "Art in Life," hosts fascinating exhibitions of paintings, ceramics, lacquerware, glass, and more, centered around its approx. 3,000-piece collection that features national treasures and important cultural properties.

Suntory Hall opened as Tokyo's first full-fledged, dedicated concert hall with the concept of "pursuing the world's most beautiful sounds." It continues to preserve the acoustics that have earned it a strong reputation both in Japan and abroad, while hosting performances by world-class artists. Suntory Foundation engages in a variety of activities, including the Suntory Prize for Social Sciences and Humanities, recognizing research in the fields of social sciences and humanities, and the Suntory Prize for Community Cultural Activities, promoting local culture in Japan.



# Environment

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# Environmental Management

## Our Policies and Approach

For Suntory Group, the global environment is an essential foundation for our business. As a company dedicated to delivering the gifts of water and nature to our customers, we recognize our significant responsibility to protect ecosystems, including beautiful and clean water, and to pass on a sustainable society to future generations.

To realize a rich and sustainable society, Suntory Group committed to preserving and regenerating the natural environment and to reducing environmental impact across the entire Group. To guide these efforts, we established the Suntory Group's Environmental Principles. We work collaboratively towards the realization of a sustainable society by promoting this Policy not only among our employees but also throughout the value chain, including our business partners and other stakeholders.

### Suntory Group's Environmental Principles

Our Environmental Principles clearly indicates our priority initiatives, such as “achieving water security,” “conserving and regenerating biodiverse ecosystems,” “promoting a circular economy,” and “transitioning to a net-zero society.” We formulate specific environmental targets and action plans based on this policy, which was established in 1997 and revised in 2022. We also emphasize communication with society and stakeholders to champion the transformation to a sustainable society.

#### Basic Principles of Suntory's Environmental Policy

At Suntory Group, environmental management is at the core of our business strategy. In our commitment to cultivating a sustainable and vibrant society now and in the future, these environmental principles inform the actions we take each day across our entire value chain.

##### 1. Achieving water security

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

##### 2. Conserving and regenerating biodiverse ecosystems

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

##### 3. Promoting a circular economy

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

##### 4. Transitioning to a net-zero society

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

##### 5. Engaging with society

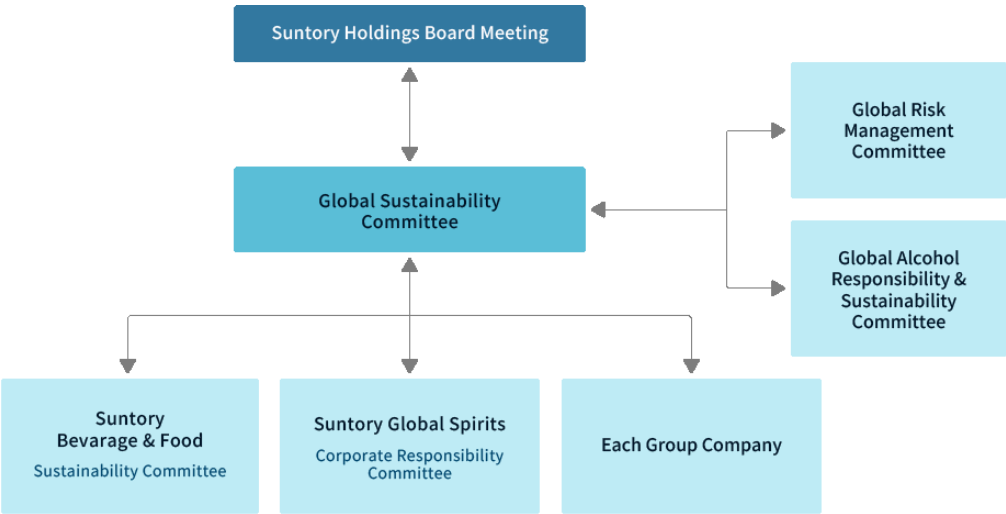
To achieve a vibrant global environment, we are championing the transformation to a sustainable society by collaborating with our stakeholders, deepening dialogues with local communities, and transparently disclosing our progress.

# Promoting Structure

## Global Sustainability Committee

The Global Sustainability Committee (GSC) is the core of our sustainability management promotion system. The Committee is chaired by the Chief Sustainability Officer, with Executive Officers from each business serving as vice chairs. Committee members include the Directors in charge of each functional division, the heads of Group companies from around the world, and the heads of functional divisions. The GSC discusses the Group's sustainability strategies and confirms progress on priority themes (water, climate action, raw ingredients, containers and packaging, health and human rights). Progress on environmental and social activities as well as business risks and opportunities are reported to the Board of Directors on a quarterly basis. In addition, the Board of Directors are provided with the opportunities to hear advice from third party experts on sustainability management. Additionally, the targets used to determine executive compensation include a sustainability component.

## Suntory Group's Environmental Management Promoting Structure



## Environmental Policy Implementation Structure

To implement our Environmental Principles, each Group company appoints an environmental management officer, while designated personnel at each business site manage daily compliance and environmental performance. This includes strict internal standards for wastewater and air emissions. In the event of a serious environmental accident or regulatory violation, there is a system in place for immediate reporting to management. As of 2024, we have had no major environmental incidents.

## Environmental Management System (ISO14001)

We have also introduced ISO14001-based environmental management systems at our major production sites in Japan and overseas, checking its effectiveness through periodic internal audits and third-party certification. Suntory Group companies in Japan\*1 have ISO integrated certification. Our small-scale sites have been exempt from certification since 2017 but instead have strengthened compliance management and transitioned to more efficient operations. Each business division works together under this structure to promote environmental considerations throughout the entire value chain.

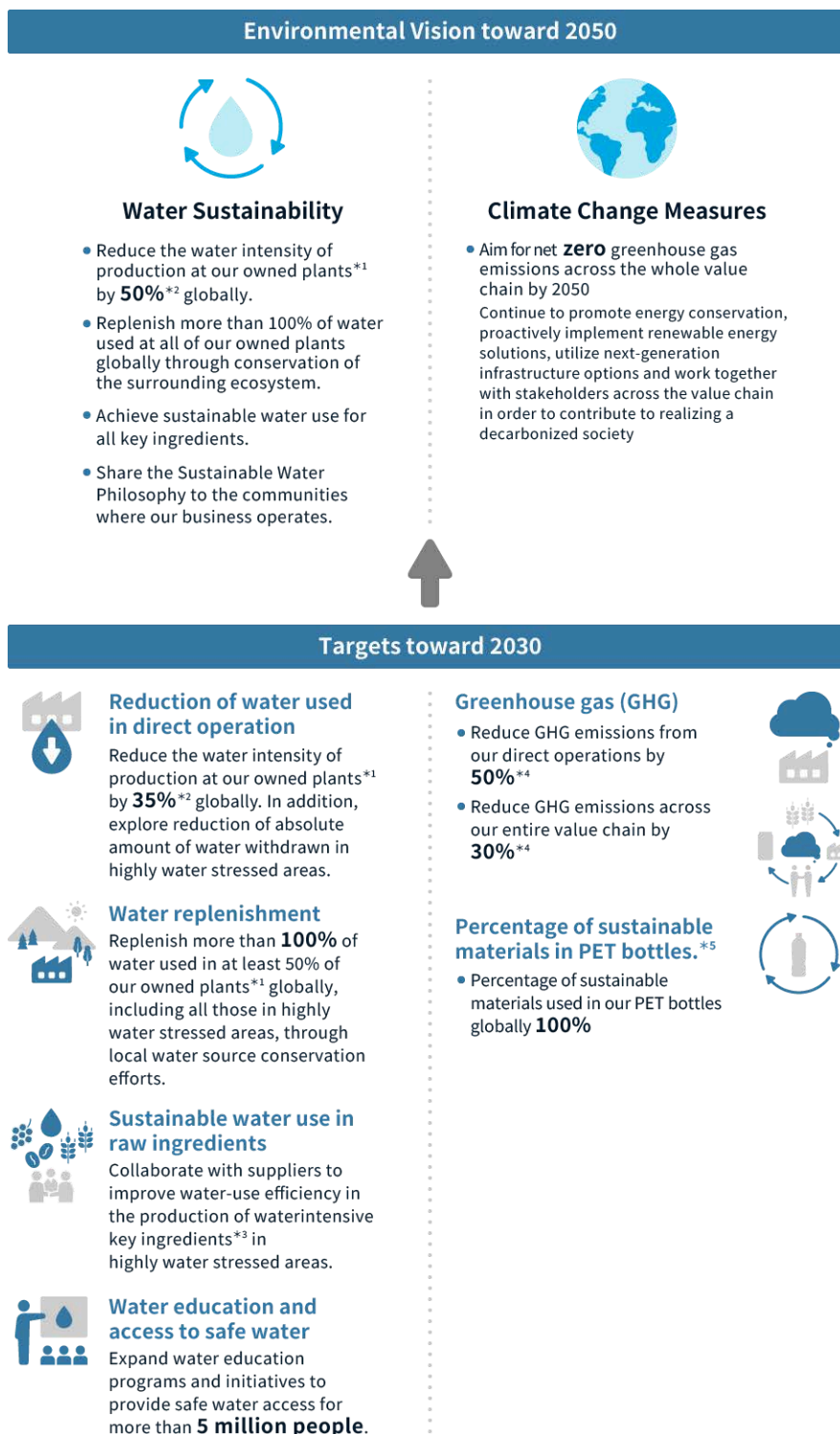
\*1 Group companies complying to the Japanese SOX Act

[Suntory Group ISO14001 Certification List](#)

# Targets and Progress

Suntory Group has established Environmental Targets toward 2030 in addition to our long-term Environmental Vision toward 2050, covering water and climate action, which are expected to have a particularly large impact on our business operations among sustainability issues. We have also set goals for containers and packaging toward 2030 and are currently taking action accordingly.

## Mid- to Long-term Goals



\*1 Suntory Group plants that manufactures finished products

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

\*3 Coffee, barley, grapes

\*4 Based on emissions in 2019

\*5 Percentage of sustainable materials (e.g., recycled or bio-based materials) in terms of PET bottle weight.

Materiality		2030 targets	2024 results
<b>Water</b> 	Reduction of water used in direct operation 	Reduce the water intensity of production at our owned plants* <sup>1</sup> by 35%* <sup>2</sup> globally. In addition, explore reduction of absolute amount of water withdrawn in highly water stressed areas	<ul style="list-style-type: none"> <li>Reduced the water intensity of production by 30% compared to 2015.</li> </ul>
	Water replenishment 	Replenish more than 100% of water used in at least 50% of our owned plants* <sup>1</sup> globally, including all those in highly water stressed areas, through local water source conservation efforts. Especially in regions with high water stress, the above initiatives are implemented at all plants.	<ul style="list-style-type: none"> <li>Water replenishment activities implemented in 36% of all owned plants globally.</li> <li>For the plants located in highly water stressed areas, activities are implemented in 31% of those areas.</li> </ul>
	Sustainable water use in raw ingredients 	Collaborate with suppliers to improve water-use efficiency in the production of water-intensive key ingredients* <sup>3</sup> in highly water stressed areas.	<ul style="list-style-type: none"> <li>As an initiative on barley production through regenerative agriculture, we continue working with our malt suppliers to verify the improvement of water use efficiency by improving soil water retention.</li> <li>Implemented a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.</li> </ul>
	Water education and access to safe water 	Expand water education programs and initiatives to provide safe water access for more than 5 million people.	<ul style="list-style-type: none"> <li>Total 1,750,000 people &lt;Breakdown&gt;</li> <li>Water education program: 1,330,000 people</li> <li>Provision of safe water: 420,000 People</li> </ul>
<b>Climate action</b> 	Scope 1,2 	Reduce GHG emissions from our direct operations by 50%* <sup>4</sup>	<ul style="list-style-type: none"> <li>32% reduction against base year</li> </ul>
	Scope 1,2,3 	Reduce GHG emissions across our entire value chain by 30%* <sup>4</sup>	<ul style="list-style-type: none"> <li>GHG emissions across our entire value chain 13% reduction compared to base year</li> </ul>
<b>Containers and packaging</b> 	Use of Sustainable Materials in PET Bottles 	100% of PET bottles made with sustainable materials (globally)	<ul style="list-style-type: none"> <li>Percentage of sustainable materials used in PET bottles (globally) 35%</li> <li>Percentage of sustainable materials used in PET bottles (non-alcoholic beverage business in Japan): 58%</li> </ul>

\*1 Suntory Group plants that manufactures finished products



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

\*3 Coffee beans, barley, grapes

\*4 Based on emissions in 2019.

\*5 Percentage of sustainable materials (e.g., recycled or bio-based materials) in terms of PET bottle weight.

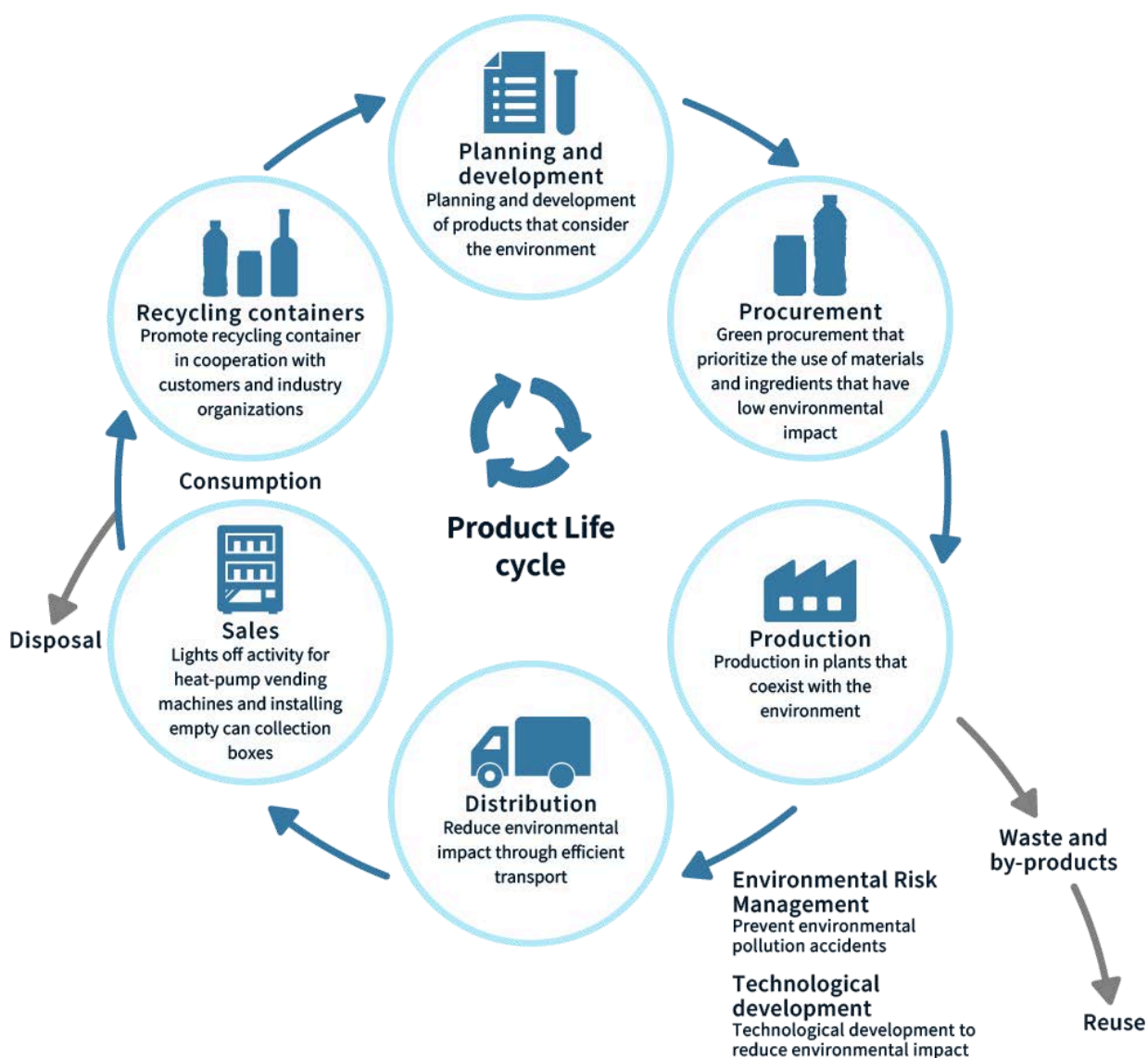
## Our Initiatives

### Reducing Environmental Impact Across the Product Life Cycle

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

In addition, following the global expansion of our business, we assess the environmental impact of production sites around the world to determine the environmental impact on a global scale. To reduce environmental impact across the supply chain, we encourage our business partners, including suppliers who do business with the Suntory Group, to disclose environmental information and take action to reduce their environmental impact.

This comprehensive approach has helped us achieve ongoing reductions in GHG emissions and water usage intensity for each of our products.



## Compliance with Environmental Regulations and Voluntary Standards

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

In 2024, no serious accidents or violations affecting environmental pollution occurred.

Should a problem be found, we thoroughly investigate the cause and take measures to prevent a recurrence, sharing our findings with the entire Group.

## Approach for Internal Awareness-Raising

To deepen employees' environmental awareness and understanding of sustainability, and to cultivate talent capable of taking proactive steps towards a sustainable society, we are engaging in systematic awareness-raising activities. Suntory Group conducts an annual sustainability-themed e-learning program for all employees, providing an opportunity to learn about the societal challenges facing our business and the initiatives we are undertaking.

In fiscal 2024, we conducted educational training (such as e-learning) on sustainable management for Group employees in Japan, with a total of 21,237 employees participating. We are also expanding our online training programs and e-learning courses to Group employees worldwide. In addition, we regularly hold specialized training sessions tailored to specific roles and job level, such as seminars on environmental regulations for factory personnel and LCA workshops for product development teams to help employees acquire the skills necessary for each area of work.



Seminar on managing Wastes Disposal and Public Cleansing Act

➤ [For more information on environmental training attendance, see Performance Data.](#)

## First Hand Experience with Forestry at Suntory Natural Water Sanctuary

We are advancing employee forestry volunteer activity at our Suntory Natural Water Sanctuaries. Up until 2013, many employees and their families joined these activities as volunteers.

Since 2014, the program has evolved into a forest maintenance experience aimed at helping each employee personally understand and embody Suntory Group's corporate philosophy. More than 12,000 employees in alcoholic and non-alcoholic businesses have participated so far. This training is currently included in the onboarding program for new employee.



Forestry maintenance training for employees

## Green Bonds

Suntory Group is actively engaging in sustainable finance to realize a decarbonized society and water usage preservation. Based on our 2022 Sustainable Finance Framework, Suntory Holdings Limited issued a green bond, a type of SDG bond, with proceeds to be used for projects that contribute to solving environmental issues.

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

# Suntory Group ISO 14001 Certification List (as of the end of 2024)

## Japan

- 1. The research & development operations and academic research of food, alcoholic beverages, health care science business and new business at Suntory Holdings Limited (Suntory Beverage & Food Limited and Suntory Spirits Limited, Suntory Wellness Limited, Suntory Global Innovation Center Limited, Suntory Foundation for Life Sciences)**
- 2. The manufacturing activities of soft drinks, liquors and wines in the following sites**

### **2-1. Non-alcoholic Beverages and Food**

#### **2-1-1. Suntory Products Limited**

- Suntory Products Ltd. Haruna Plant
- Suntory Products Ltd. Hanyu Plant
- Suntory Products Ltd. Kanagawa Ayase Plant
- Suntory Products Ltd. Tamagawa Plant
- Suntory Products Ltd. Kisogawa Plant (Including Kisogawa Well)
- Suntory Products Ltd. Suntory Tennensui Minami Alps Hakushu Plant
- Suntory Products Ltd. Suntory Tennensui Kita Alps Shinano-no-Mori Water Plant
- Suntory Products Ltd. Takasago Plant
- Suntory Products Ltd. Ujigawa Plant
- Suntory Products Ltd. Suntory Okudaisen Bunanomori Water Plant

#### **2-1-2. Suntory Coffee Roastery LTD.**

- Suntory Coffee Roastery LTD. Ebina Plant
- Suntory Coffee Roastery LTD. Oyama Atsugi Plant

### **2-2. Alcohol Beverages**

#### **2-2-1. Suntory Spirits Limited**

- Suntory Spirits Ltd. Hakushu Distillery (Including Omi Aging Cellar)
- Suntory Spirits Ltd. Yamazaki Distillery
- Suntory Spirits Ltd. Ohmi Aging Cellar
- Suntory Spirits Ltd. Tochigi Azusanomori Plant (Including 3rd Parking Lot and 4th Parking Lot)
- Suntory Spirits Ltd. Osaka Plant
- Suntory Spirits Ltd. Gunma Brewery
- Suntory Spirits Ltd. Tokyo Musashino Brewery
- Suntory Spirits Ltd. Kyoto Brewery
- Suntory Spirits Ltd. Kyushu Kumamoto Plant
- Suntory Spirits Ltd. Tominooka Winery
- Suntory Spirits Ltd. Shiojiri Winery

#### **2-2-2. SUNTORY CHITA DISTILLERY LIMITED**

#### **2-2-3. OSUMISYUZO LIMITED**

#### **2-2-4. Iwanohara Vineyard Co., Ltd.**

#### **2-2-5. Suntory Malting LTD.**

3. The sales and management of beverages in automatic vending machine in Suntory Beverage Solution Limited, KAGAWA PEPSI COLA SALES LIMITED, Harata Vending Service Limited
4. The vending machine maintenance work at Union Trust Limited
5. The operation and management of empty beverage container recycling plant at Japan Beverage Ecology Limited
6. Food Service
  - DYNAC CORPORATION
  - PRONTO CORPORATION

## Overseas

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### 1. Non-alcoholic Beverages and Food

#### 1-1. Suntory Beverage & Food Europe

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

#### 1-2. Suntory Beverage & Food Asia Pacific

- Suntory Beverage & Food Thailand Pin Thong (Thailand)
- Suntory Beverage & Food LCB Thailand (Thailand)
- Suntory Beverage & Food Taiwan Taichung (Taiwan)
- International Refreshment Singapore (Singapore)
- Suntory PepsiCo Vietnam Beverage Bac Ninh (Vietnam)
- Suntory PepsiCo Vietnam Beverage Quang Nam (Vietnam)
- Suntory PepsiCo Vietnam Beverage Dong Nai (Vietnam)
- Suntory PepsiCo Vietnam Beverage Hoc Mon (Vietnam)
- Suntory PepsiCo Vietnam Beverage Can Tho (Vietnam)
- Suntory PepsiCo Beverage Thailand Rayong (Thailand)
- Suntory PepsiCo Beverage Thailand Saraburi (Thailand)
- Suntory Beverage & Food New Zealand Wiri (New Zealand)

### 2. Alcohol Beverages

#### 2-1. Suntory Global Spirits Inc.

- Frankfort (USA)
- Clermont (USA)
- FBN(Fred B. Noe Distillery) (USA)
- Booker Noe (USA)
- Maker's Mark (USA)
- Calgary (Canada)
- Sauza (Mexico)
- Behror (India)
- Cooley (Ireland)
- Palazuelos (Spain)
- Valverde (Spain)
- Ardmore (U.K.)

- Auchentoshan (U.K.)
- Bowmore (U.K.)
- Glen Garioch (U.K.)
- Laphroaig (U.K.)
- Springburn (U.K.)
- Cruzan (Virgin Islands,U.S.)

## **2-2. Chateau Lagrange (France)**

### **3. Health Care Science**

#### **3-1. Suntory Wellness Limited**

- PRONOVA LABORATORIES Supplement (Thailand)
- PRONOVA LABORATORIES Personal care (Thailand)

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# Green Bonds

## Green Bonds

### Suntory Group's Sustainable Finance Initiatives

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

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

Since then, to its customers and society, Suntory Group has been engaged in environmental activities with a long-term perspective. In 2019, we formulated the Suntory Group Sustainability Vision to promote group-wide activities to solve common global sustainability issues.

Under Suntory's Environmental Vision toward 2050, we aim to reduce water usage at our plants worldwide by 50%<sup>\*1</sup> and achieve net-zero greenhouse gas (GHG) emissions across the entire value chain. Suntory's Environmental Targets toward 2030 will assist in achieving the 2050 vision through SBT certification, reduced water use intensity at our owned plants<sup>\*2</sup> by 35%<sup>\*1</sup> globally, reduced GHG emissions at our sites by 50%,<sup>\*3</sup> and reduced GHG emissions across the entire value chain by 30%.<sup>\*3</sup>

Against this backdrop, Suntory Group has formulated the Sustainable Finance Framework as a sustainability finance initiative aiming to achieve a decarbonized society and reduce water consumption. This is the first framework in Japan that incorporates targets for reducing water consumption, and we will further promote our sustainability initiatives in the future.

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

\*2 Suntory Group plants that manufacture finished products

\*3 2019 emissions as base line

## Sustainable Finance Framework

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

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

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



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



\* Principles/Guidelines

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

## Second Party Opinion

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

[Moody's Second Party Opinion](#)


## Green Bonds Overview

### Green Bonds (Unsecured Corporate Bonds No.13)

Name of the Bond	Suntory Holdings Limited 13th Publicly-offered Corporate Bonds (Green bond with specific inter-bond pari passu clause)
Issue Amount	20 Billion Yen
Term	5-years
Coupon	0.628%
Transfer Date / Maturity Date	November 24, 2023 / November 24, 2028
Interest Payment Date	May 24 and November 24 each year
Ratings	AA (Japan Credit Rating Agency, Ltd.)
Use of Proceeds	<ul style="list-style-type: none"> <li>• Energy efficiency                             <ul style="list-style-type: none"> <li>- Capital investment contributing to energy-saving at the plants we own</li> </ul> </li> <li>• Renewable energy                             <ul style="list-style-type: none"> <li>- Costs for procurement of green hydrogen</li> </ul> </li> </ul>



	<ul style="list-style-type: none"> <li>- Capital investment for the construction of biogas refining facilities, biomass heat supply facilities or biomass power generation facilities through wastewater treatment</li> <li>- Costs for procurement of electricity generated from renewable energy (purchase of renewable energy certificates)</li> </ul>
Lead Managers	Mizuho Securities Co., Ltd., Mitsubishi UFJ Morgan Stanley Securities Co.,Ltd., BofA Securities Japan Co., Ltd.
Structuring Agent*	Mizuho Securities Co., Ltd.

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

## Green Bonds (Unsecured Corporate Bonds No.13) Report (As of December 31, 2024)

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

9.60 Billion Yen of unallocated funds will be allocated by December 31, 2025.

Eligibility Criteria	Allocated Amount	Impact Reporting
Capital investment contributing to energy-saving at the plants we own - Adoption of best available technologies as of the installation of facilities 	JPY9,600MM (Refinance: JPY9,200MM)	Reduction in GHG emissions: 3,298t-CO <sub>2</sub> e <sup>*1</sup>
Costs for procurement of green hydrogen 	JPY0MM To be allocated in 2025	-
Capital investment for the construction of biogas refining facilities, biomass heat supply facilities or biomass power generation facilities through wastewater treatment	JPY590MM (Refinance: JPY590MM)	Reduction in GHG emissions: 2,202t-CO <sub>2</sub> e <sup>*2</sup>
Costs for procurement of electricity generated from renewable energy (purchase of renewable energy certificates)	JPY210MM (Refinance: JPY000MM)	Reduction in GHG emissions: 151,461t-CO <sub>2</sub> e <sup>*3</sup>
Total	JPY10,400MM (Refinance: JPY9,790MM)	Impact represents the entire environmental improvement effects for the entire projects

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

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

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

# Integrated Disclosures based on the Recommendations of the TNFD and TCFD

## Our Journey as a Company that Creates Harmony with People and Nature

As a multifaceted beverages company, Suntory Group delivers the blessings of water and nature to customers through our products. Beautiful, clean water, plants and forests that grow in rich soil, rivers, oceans, and the air, and ecosystem services created by living creatures are the very foundation of Suntory Group's business. We recognize that safeguarding, carefully using, and circulating these gifts of nature is not only a crucial responsibility, but also a lifeline for business continuity.

More than 50 years ago, in 1973, Suntory Group began its bird conservation activities with the slogan "Today Birds, Tomorrow Humans" (the happiness that comes to birds today may bring happiness to humans tomorrow). These activities seek to raise awareness of the environment through wild birds, which are said to be a barometer of the environment, and to pass on to future generations an environment in which birds, people, and all other living things can live in abundance.

In 2003, the Suntory Natural Water Sanctuaries were launched in Kumamoto, Kyushu, with the aim of improving water replenishment functions and restoring biodiversity. They have since been expanded to cover an area of more than 12,000 hectares in 26 locations across 16 prefectures\*, and are now conserving and restoring more than twice the amount of groundwater withdrawn by our plants in Japan. Currently, efforts to coexist with nature, such as water conservation activities, are expanding in various parts of the world where we do business.

\*As of July 31, 2025

In recent years, initiatives for nature-positive practices have been accelerating, marked by the adoption of the Kunming-Montreal Global Biodiversity Framework at the 15th Conference of Parties to the UN Convention on Biological Diversity (COP15) in 2022.

In 2023, Suntory Group was the only Japanese company to participate in the world's first pilot of corporate guidance for nature conservation by the Science Based Targets Network (SBTN), and in September of the same year, we used the analysis results from the pilot to make a pilot disclosure to the Taskforce on Nature-related Financial Disclosures (TNFD).

In line with the recommendations of the TNFD and the Task Force on Climate-related Financial Disclosures (TCFD), we have disclosed Suntory Group's integrated environmental management initiatives.

To contribute more effectively to addressing the deeply interrelated challenges of climate change, biodiversity, water security and resource circulation, comprehensive measures are essential. Nature-related activities such as our Natural Water Sanctuaries represent initiatives that involve collaboration with many stakeholders with the aim of resolving complex environmental issues.

Suntory Group will continue to contribute to the realization of "Nature Positive" and "Net Zero" consistent with globally shared standards based on science.



First "Save the Birds! Campaign" newspaper ad (1973)



History of Suntory Group's nature Initiatives		Spread and impact of activities to date
1973	<ul style="list-style-type: none"> <li>• <b>Launch of Suntory bird conservation activities</b></li> </ul>	<ul style="list-style-type: none"> <li>• Track record: over <b>50 years</b></li> </ul>
2003	<ul style="list-style-type: none"> <li>• <b>Launch of Suntory Natural Water Sanctuary activities</b></li> </ul>	<ul style="list-style-type: none"> <li>• Track record: over <b>20 years</b></li> <li>• Replenishes more than twice the amount of groundwater withdrawn by plants in Japan (2019 onwards)</li> <li>• Water source replenishment and conservation activity bases expanded to <b>33 locations in 8 countries</b> around the world* *26 locations in Japan, 7 locations overseas (as of July 31, 2025)</li> <li>• Birds confirmed at Suntory Natural Water Sanctuaries: <b>137 species</b> (Species are on the Japan Red List): <b>14 species</b> (as of June 2022)</li> <li>• Rare plants found in Suntory Natural Water Sanctuaries: <b>136 species*</b> (as of June 2022) *Total of Ministry of the Environment Red List and prefectural Red List</li> <li>• Total number of employees participating in forestry development: Approx. <b>12,000</b> (by May 31, 2025)</li> </ul>
2004	<ul style="list-style-type: none"> <li>• <b>Launch of Suntory Mizuiku - education program for nature and water</b></li> </ul>	<ul style="list-style-type: none"> <li>• Track record: over <b>20 years</b></li> <li>• Implemented in <b>8 countries*</b> around the world, with a cumulative total of <b>1.33 million</b> participants in water awareness programs such as Mizuiku (as of December 31, 2024) *Japan, Vietnam, Thailand, France, China, Spain, UK and New Zealand</li> </ul>
2022	<ul style="list-style-type: none"> <li>• <b>Launch of regenerative agriculture pilot</b></li> </ul>	<ul style="list-style-type: none"> <li>• The number of sustainable agriculture initiatives, including regenerative agriculture, has increased to <b>10</b></li> </ul>
2023	<ul style="list-style-type: none"> <li>• <b>Suntory was the only Japanese company to participate in the world's first corporate guidance pilot by SBTN for nature conservation</b></li> <li>• <b>TNFD pilot disclosure</b></li> </ul>	<ul style="list-style-type: none"> <li>• Integrated disclosure based on the recommendations of the TNFD and TCFD (2025)</li> </ul>

➤ [Suntory Bird Conservation Activities](#) 

➤ [Suntory Natural Water Sanctuary](#) 

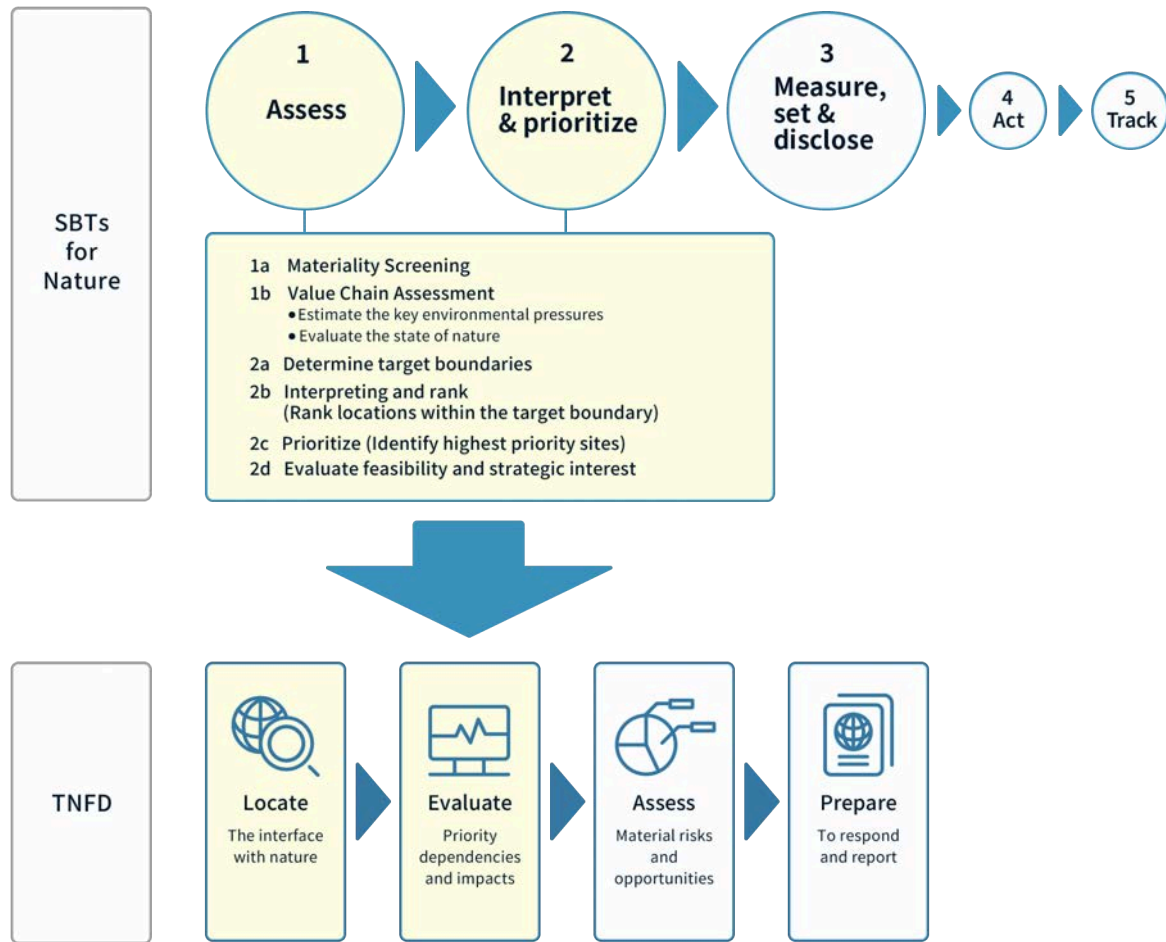
➤ [Suntory Mizuiku - Education Program for Nature and Water](#) 

## Context and Scope of this Disclosure

### Context of this Disclosure

- The material issues identified through our materiality analysis – namely water, climate action, containers and packaging, and raw ingredients – are all interrelated and mutually influential. Accordingly, we disclose information on these topics in an integrated manner in accordance with individual disclosure frameworks such as the TNFD and TCFD recommendations.
- Suntory Group was the only Japanese company to participate in the corporate guidance pilot announced in 2023 by SBTN. Of the steps in the LEAP (Locate, Evaluate, Assess, Prepare) approach, which is part of the TNFD framework, for steps L and E, we utilize the results of the analysis of direct operations and upstream value chains in SBTN's Steps 1 and 2. Please see the diagram below for the correlation between the TNFD and SBTN approaches.

## Linkage between TNFD and SBTN



## Scope of Disclosure

- Suntory Group's main businesses are covered: (1) beverages and food-related businesses, (2) alcoholic beverage business, and (3) other businesses
- Specifically, Suntory Group's entire value chain for the following businesses is covered in the scope:
  - (1) Beverage and food business: Suntory Beverage & Food Ltd.
  - (2) Alcoholic beverage business: Suntory Spirits Ltd. and Suntory Global Spirits Inc.
  - (3) Other businesses: Suntory Wellness Ltd., etc.

## Areas with Material Nature and/or Climate Related Issues

- With regard to nature, the assessment covers 79 directly operated production sites (27 in Japan and 52 outside of Japan), and the countries from which the 8 main raw ingredients are procured upstream in the value chain.
- Regarding climate change, the assessment covers our own sites and areas related to the upstream and downstream of our value chain.

## Governance

Suntory Group adopts a holding-company system. The Board of Directors for Suntory Holdings, the holding company, consists of 9 directors, including 1 outside director (as of April 1, 2025). The Board of Directors is responsible for discussing, deliberating and makes decisions regarding management issues affecting the entire Group while supervising the execution of operations by all Group companies. The introduction of an executive officer system has separated the business decision-making process from the execution of business operations, enabling swift and agile decision-making.

In response to the expansion of global business of the Group, Suntory Holdings established the Global Risk Management Committee (GRMC) for enterprise risk management (ERM), covering sustainability-related risks, in order to strengthen the risk management promotion framework for the entire Group including international Group companies. We also established the Global Sustainability Committee to discuss sustainability strategies and manage progress toward our goals.

The Global Risk Management Committee is chaired by the executive officer in charge of risk management, with the heads of risk management for key business areas serving as vice chairs. Executive officers responsible for major functional areas also participate as members. Under this Global Risk Management Committee, we have established risk management committees and risk management teams at major operating subsidiaries to collaborate on identifying and managing significant risks across Suntory Group. The Global Risk Management Committee meets quarterly to advance activities such as identifying risks across Suntory Group, monitoring countermeasures, and establishing crisis management frameworks. Nature-related risks and climate change-related risks are identified as some of the most important risks, and the Committee actively discusses and monitors the measures to address these risks.

The Global Sustainability Committee is chaired by the executive officer in charge of sustainability and vice-chaired by executive officers from key business areas. Members of the committee include executive officers in charge of major functional departments, heads of domestic and international operating companies, and functional department heads. The Global Sustainability Committee discusses mid- to long-term business strategies of Suntory Group companies and businesses, focusing on the 7 sustainability themes outlined in Suntory Group's Sustainability Vision, including initiatives related to nature and climate change.

The Global Risk Management Committee and the Global Sustainability Committee maintain continuous collaboration. Important decision-making matters are further discussed, deliberated, and resolved by the Board of Directors. The Global Risk Management Committee and the Global Sustainability Committee each handle as agenda items and review the progress of sustainability strategies, identification of risks and opportunities, and exploring risk mitigation, avoidance, transfer and acceptance methods. They report regularly to the Board of Directors, which discusses and oversees sustainability strategy policies and plans. In particular, with regard to sustainability-related risks that have been assessed as the Group's most significant risks through the Global Risk Management Committee's enterprise risk management (ERM), the Global Sustainability Committee discusses countermeasures and reports the status of countermeasures to the Global Risk Management Committee. In addition, the Global Sustainability Committee deliberates the analysis results of the materiality based on the risks identified through enterprise risk management (ERM), and receives approval from the Board of Directors.

**<Main Sustainability Matters Reported and Resolved by the Board of Directors (2024)>**

- Revisions to the Suntory Group Human Rights Policy
- Revisions to water targets in Environmental Targets toward 2030
- Progress Report for Environmental Targets toward 2030

The Board of Directors are provided with opportunities to receive advice on sustainable management through events such as periodic seminars with external expert guests. Additionally, the criteria used to determine executive compensation include specific sustainability items.

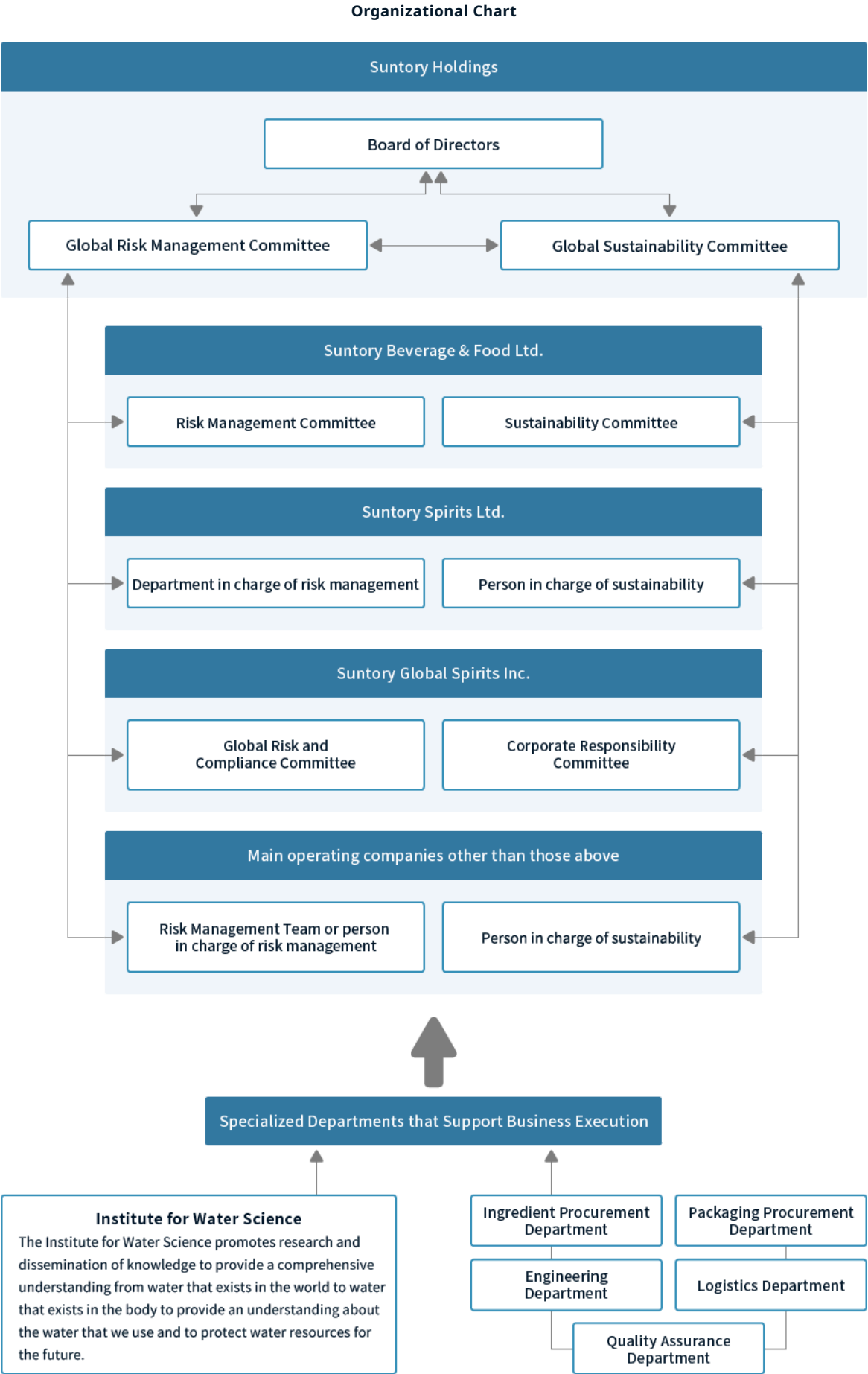
Of the materiality, with regard to "climate action," "containers and packaging," and "human rights," we hold the GHG Scope 3 Reduction Promotion General Meeting, the Containers and Packaging Task Force, and the Human Rights Working Team Meeting, as forums for discussing more specific strategies and initiatives, primarily with working level staff from key businesses and functional departments.

The GHG Scope 3 Reduction Promotion General Meeting, under the relevant functional departments and the corporate planning departments of key businesses, drives the reduction of Scope 3 emissions toward the achievement of Suntory's Environmental Targets toward 2030. Specifically, it has formulated a roadmap for reducing Scope 3 emissions and discusses the challenges and strategies to ensure the effective implementation of key measures for Scope 3 emissions reduction.

The Containers and Packaging Task Force consists of the executive officer in charge of sustainability, the executive officer in charge of public relations, and the heads of relevant functional departments (such as sustainability, innovation, corporate planning, finance, legal, intelligence, and manufacturing). It meets for the purpose of formulating plans and managing progress toward achieving the 2030 targets for containers and packaging. Specifically, in addition to discussing the direction of efforts to address issues concerning plastics, the task force discusses the formulation of a roadmap for achieving the 2030 target for sustainable PET bottles, as well as the progress of agreements on "bottle to bottle" horizontal recycling that have been concluded with local governments and companies in Japan.

In the area of human rights, we have the Human Rights Working Team that consists of personnel from functional departments such as sustainability, supply chain, human resources, legal, and compliance, as well as sustainability personnel from major operating companies. The team holds monthly discussions across divisions to promote human rights due diligence, including sharing domestic and international

information on human rights, identifying and responding to risks of human rights abuse throughout the value chain, and conducting activities to raise awareness.



		Roles and authorities	Members	Meetings per year	Main Deliberations in 2024
<b>Board of Directors</b>		<ul style="list-style-type: none"> <li>Supervision of sustainability related business execution of Suntory Group</li> <li>Resolutions on medium- to long-term strategies and plan for each fiscal year</li> </ul>	<ul style="list-style-type: none"> <li>Directors: 9 (Including 1 Outside Director)</li> </ul>	At least 12 times/year	<ul style="list-style-type: none"> <li>Revisions to the Suntory Group Human Rights Policy</li> <li>Revisions to water targets cited in Environmental Targets toward 2030</li> <li>Progress report on Environmental Targets toward 2030</li> </ul>
<b>Global Risk Management Committee</b>		<ul style="list-style-type: none"> <li>Understanding and discussing important management risks related to sustainability issues, etc.</li> <li>Monitoring countermeasures to important risks</li> </ul>	<ul style="list-style-type: none"> <li>Chair: Executive officer in charge of risk management</li> <li>Vice chairs: Heads of risk management departments of Suntory Holdings, Suntory Global Spirits and Suntory Beverage &amp; Food</li> <li>Members: Executive officers in charge of functional departments</li> </ul>	4 times/year	<ul style="list-style-type: none"> <li>Identification, assessment, and discussion of the Group's top risks in 2025, including sustainability-related risks</li> <li>Identification and discussion of important risks of major operating companies, including sustainability-related risks</li> </ul>
<b>Global Sustainability Committee</b>		<ul style="list-style-type: none"> <li>Discussion and progress management of basic policy on sustainability, materiality, strategies and targets</li> </ul>	<ul style="list-style-type: none"> <li>Chair: Executive officer in charge of sustainability</li> <li>Vice chair: Executive officers in charge of sustainability departments of Suntory Global Spirits and Suntory Beverage &amp; Food</li> <li>Members: heads of functional departments of major operating companies in Japan and overseas, etc.</li> </ul>	Around 6 times/year	<ul style="list-style-type: none"> <li>Development of sustainable management strategy</li> <li>Revision of targets and confirmation of progress</li> </ul>
<b>Promotion bodies for materiality</b>	<b>GHG Scope 3 Reduction Promotion General Meeting</b>	<ul style="list-style-type: none"> <li>Progress management of Suntory Group's Scope 3 GHG emissions reduction efforts</li> </ul>	<ul style="list-style-type: none"> <li>Chair: Deputy Division COO of Sustainability Management Division</li> <li>Business departments: Senior General Managers of Corporate Planning Departments of Suntory Beverage &amp; Food and Suntory Global Spirits</li> <li>Functional departments: sustainability and supply chain</li> </ul>	3 times/year	<ul style="list-style-type: none"> <li>Confirmation of progress in reducing Scope 3 GHG emissions</li> <li>Planning and implementation of collaborative initiatives with business partners to reduce GHG emissions</li> </ul>



	<b>Containers and Packaging Task Force</b>	<ul style="list-style-type: none"> <li>Planning and progress management for achieving 2030 container and packaging targets</li> </ul>	<ul style="list-style-type: none"> <li>Members: Executive officer in charge of sustainability, executive officer in charge of public relations, and the senior general managers of relevant functional departments (such as sustainability, innovation, corporate planning, finance, legal affairs, intelligence, and manufacturing)</li> </ul>	Every other month	<ul style="list-style-type: none"> <li>Confirmation of progress of activities aimed at making containers and packaging such as PET bottles, glass bottles, and cans more sustainable</li> </ul>
	<b>Human Rights Working Team</b>	<ul style="list-style-type: none"> <li>Implementation of human rights themed activities in the area of sustainability and progress management</li> </ul>	<ul style="list-style-type: none"> <li>Chair: Executive officer in charge of sustainability</li> <li>Members: Senior General Managers and personnel from functional departments, such as sustainability, supply chain, human resources, legal, and compliance, as well as senior general managers and personnel in charge of sustainability from key business subsidiaries companies</li> </ul>	Monthly	<ul style="list-style-type: none"> <li>Revisions to the Suntory Group Human Rights Policy</li> <li>Formulation and implementation of plan for human rights due diligence</li> <li>Raising awareness of human rights internally</li> </ul>

## Strategy

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

In 2023, using the concept of double materiality, we sought to identify and evaluate the impact on Suntory Group's finances and our external impacts on the environment and society.

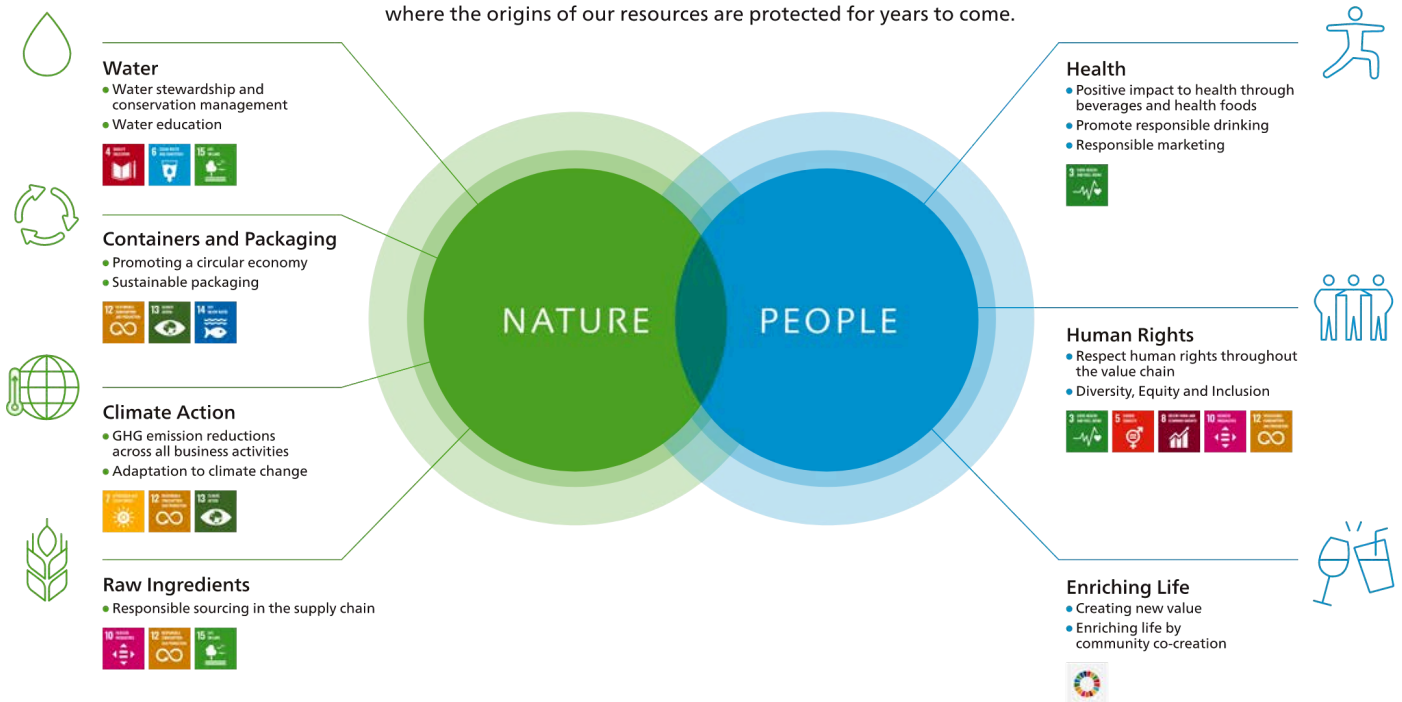
Based on the results of the materiality analysis, the Suntory Group Sustainability Vision was also revised in the same year.

The 7 key themes in the Suntory Group Sustainability Vision consist of "Nature" (water, containers and packaging, climate action, and raw ingredients) and "People" (health, human rights, and lifestyle). Suntory Group is mindful of the interdependent relationship between "Nature" and "People," and is working with stakeholders to create a society in which both "Nature" and "People" resonate harmoniously.

# Suntory Group Sustainability Vision

## To Create Harmony with People and Nature

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



[Click here for details on the process of identifying Suntory's materiality.](#)

➤ [Suntory's Sustainable Management](#) [Suntory Group's Sustainability](#) [Suntory](#)

## Policy on the Environment

As a company that embraces "Sustained by Nature and Water" as our corporate message, Suntory Group recognizes the Earth's environment itself as a vital foundation of our business operations.

Suntory Group's Environmental Principles, our highest-level environmental policy, defines our policy for the 5 key issues of achieving water sustainability, conserving and regenerating biodiverse ecosystems, promoting a circular economy, transitioning to a net zero-carbon society, and engaging with society.

With regard to "water sustainability," we share our Sustainable Water Philosophy throughout the Group in order to promote initiatives tailored to the water resource conditions in various regions around the world where we operate.

Additionally, plastic containers and packaging, which plays a significant role in Suntory Group's efforts to transition to a circular and net-zero society, is addressed under the Suntory Group Plastic Policy. Suntory Group collaborates with diverse stakeholders to tackle related challenges actively.

Furthermore, Suntory Group recognizes that environmental issues are deeply related to human rights issues. For this reason, we have established a of human rights due diligence framework based on the Suntory Group Human Rights Policy to identify, prevent and mitigate any potential adverse human rights impacts we may have on society. In regard to the rights of local community including indigenous peoples, which is one of the important themes in respecting human rights, we commit to respecting the rights of indigenous peoples and legitimate ownership rights regarding the ownership and use of land and natural resources, avoiding negative impacts on access to water, land, and natural resources, and implementing "Free, Prior, and Informed Consent (FPIC)" when acquiring water, land, and natural resources.

Our commitment to the above policies is shared with our suppliers through the Suntory Group Basic Policy on Sustainable Procurement and the Suntory Group Partner Guidelines, and measures are implemented collaboratively.

## Policy and Guidelines

- [Suntory Group's Environmental Principles \(Established in 1997 and revised in 2022\)](#)
- [Suntory Group Sustainable Water Philosophy \(Established in 2017\)](#)
- [Suntory Group Plastic Policy \(Established in 2019\)](#)
- [Suntory Group Human Rights Policy \(Established in 2019 and revised in 2024\)](#)

- **Suntory Group's Basic Policy on Sustainable Procurement (Established in 2011)**
- **Suntory Group Green Procurement Standard (Established in 2011)**
- **Suntory Group Partner Guidelines (Established in June 2017 and revised in May 2023)**

## Identification Process for Nature-Related Dependencies, Impacts, Risks and Opportunities

To further improve the accuracy of the assessment of the impacts and dependencies between our business and nature, Suntory Group has used tools and databases recommended by SBTN to clarify the pressure that Suntory Group exerts on nature and the ecosystem services on which its business depends.

For direct operations, we classified and defined Suntory Group's key business activities to be assessed by selecting the economic activity classification of the International Standard Industrial Classification (ISIC) to which our business activities belong, and also used the Materiality Screening Tool (MST) developed by SBTN to gain an overview of the impact of our business activities on nature.

In the upstream value chain, we conducted an MST assessment of our main raw ingredients, and also used the HICL (High Impact Commodity List), which lists raw ingredients that are considered to have a large impact on nature by SBTN, to identify our raw ingredients that have a particularly large impact on nature. We also assessed the environmental and human rights impacts and nature conditions in major sourcing countries. (For more information, see the relevant section in [Identification of Priority Sites Related to Nature below](#))

With regard to dependencies on nature, we used the online tool ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure), jointly developed by international financial industry organizations in the field of natural capital, the United Nations Environment Programme World Conservation Monitoring Centre (UNEP-WCSC), and others, to gain an overview of dependencies.

### Impacts on Nature

														High impact
Business	Value chain		Land/Water/Sea use change			Resource Use		Climate Change	Pollution				Invasives and Other	
			Terrestrial use	Freshwater use	Marine use	Water use	Other use	GHG emissions	non ghg airpollutants*	Water pollutants	Soil pollutants	Solid waste*	disturbances*	Biological alterations*
Non-alcoholic beverage	Upstream	Cradle												
		Processing												
	Direct operations	Manufacturing												
Alcoholic beverage	Upstream	Cradle												
		Processing												
	Direct operations	Manufacturing												
Others	Upstream	Cradle												
		Processing												
	Direct operations	Manufacturing												

High impact

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

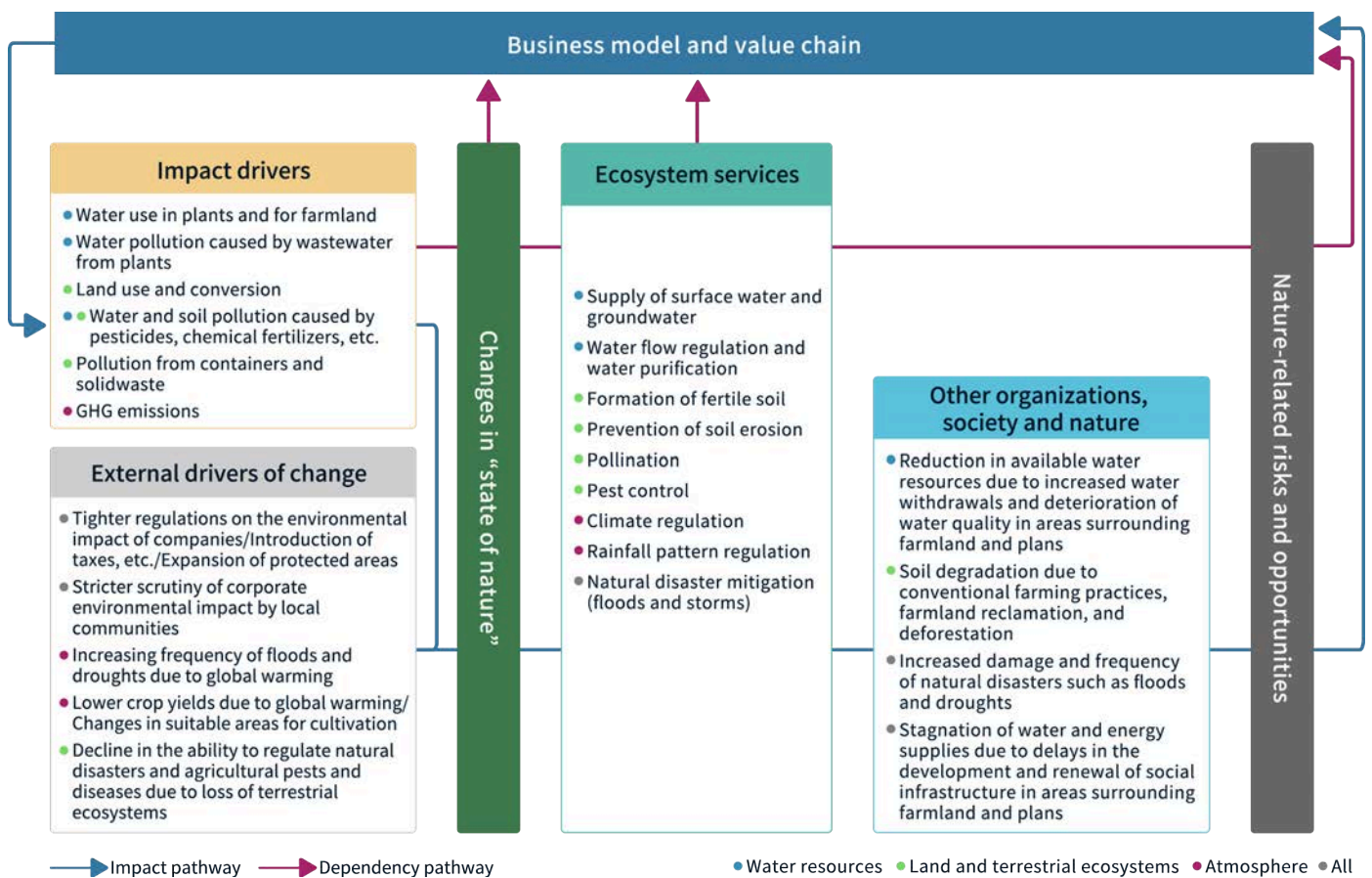
## Dependencies on Nature

High dependency

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

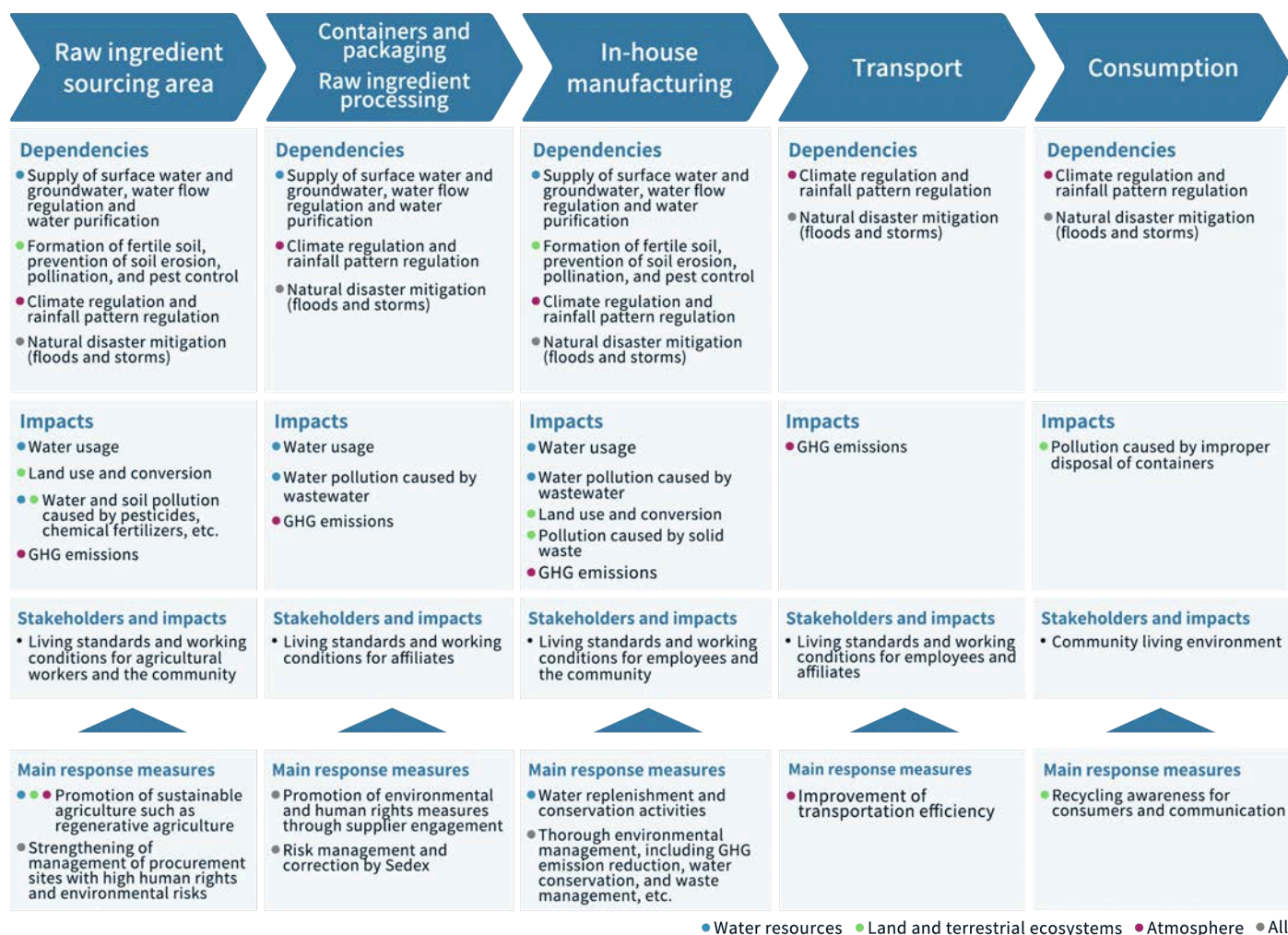
The diagram below summarizes the pathway relationships based on the above-mentioned impacts and dependencies on nature.

### Connections between nature-related dependencies and impacts and risks and opportunities – Impact and dependency pathways





## Dependencies and Impacts on Nature in the Value Chain and Corresponding Measures



## Identification of Priority Locations Related to Nature

### Direct Operations

In identifying priority locations for our direct operations, we narrowed down the list from the perspectives of water usage and water quality based on findings gained from the pilot of guidance for companies provided by the Science Based Targets Network (SBTN), which we joined in 2023.

First, we analyzed the quantity and quality of available water resources in the watershed to assess the nature conditions on which the production site depends. The assessment used several indicators from Aqueduct 4.0 and the Water Risk Filter developed by the World Wide Fund for Nature (WWF).

For the volume of available water resources, we used the 3 indicators of Baseline Water Stress, Water Depletion, and Blue Water Scarcity, with the highest score taken as the risk score. Areas with high scores on these indicators indicate a high probability of water resources being strained relative to demand.

We assessed water quality using the 3 indicators of Coastal Eutrophication Potential, Nitrate-Nitrite Concentration, and Periphyton Growth Potential, with the highest score used as the risk score. Higher scores for each indicator show greater exposure to eutrophication.

Furthermore, to assess the impact of our operations at production sites on watersheds, we normalized water usage and water pollutants contained in wastewater (weight equivalents of nitrogen and phosphorus) and compiled a list for each site. However, the assessment of water pollutants was limited to facilities that discharge wastewater directly into rivers, and excluded facilities that discharge wastewater via sewer systems. Next, to identify sites at high risk in terms of both dependencies and impacts on natural conditions, we multiplied the volume of available water resources by the normalized score for water usage and multiplied the score for water quality by the normalized score for water pollutants, and selected sites that were ranked in the top 10 watersheds as priority sites. Of the identified sites, based on an assessment using the Integrated Biodiversity Assessment Tool (IBAT) and multiple biodiversity indicators, we identified sites that are close to protected areas and

key biodiversity areas within a 20 km radius and are expected to have relatively high levels of biodiversity vulnerability and difficulty in restoring them.

#### Number of High Priority Locations

Number of High Priority Sites	Non-alcoholic beverage	Alcoholic beverage	Others
Number of locations with high water-resource dependency and impact risk	9	4	-
Of these, locations with a large effect on biodiversity	3	3	-
Number of locations with high water-quality dependency and impact risk	-	15	3
Of these, locations with a large effect on biodiversity	-	-	-

From the perspective of water management (water withdrawal and water-saving) and water replenishment and conservation through coexistence with the communities, we assessed the level of actions taken by identified priority sites to reduce risks and confirmed the progress. Since the condition of the water resource is different in each watershed where our sites are located, we conduct measures to reduce risks that correspond with local conditions.

For more information on water risk assessment, see below.

#### ➤ Water Risk Assessment Suntory Group's Sustainability Suntory

##### Upstream Value Chain (Procurement of Raw Ingredients)

We assessed the environmental and human rights impacts for 8 key raw ingredients (barley, coffee beans, corn, raw milk, green tea leaves, hops, oak wood, and sugar cane) and their main sourcing countries (covering 45 combinations of raw ingredients and sourcing countries). The environmental and human rights impact assessments are based on secondary data and do not represent the impact of Suntory Group's business activities. The purpose is to verify the validity of our activities to date and to utilize the results as basic data for determining priorities for future initiatives.

#### <Scope and Method of Assessment>

Scope of assessment		Data used
Dependency level on raw ingredients/ sourcing country)	Concentration of Sourcing Countries	The market concentration index, the Herfindahl-Hirschman Index, was applied to the purchasing volume ratio of each raw ingredient to estimate the market concentration
Environmental Impact	Climate change	Emission factors for each supplier and raw ingredient used in the calculation of Scope 3 emissions by Suntory Group
	Water usage	Water footprint by raw ingredient in various countries around the world (Report of UNESCO-IHE Institute for Water Education)
	Pollution	Fertilizer usage by raw ingredient in countries around the world (IFASTAT)

	Land use	Cultivated area per unit yield of raw ingredients by country (FAO)
<b>Human rights Impact</b>	(1) Child labor, (2) forced labor, (3) working hours, (4) fair wages and welfare, (5) discrimination, abuse, and harassment, (6) freedom of association and right to collective bargaining, (7) access to remedy, (8) health and safety	Commodity risk assessment provided by Verisk Maplecroft

**Heatmap of the Environmental and Human Rights Impacts of Main Raw Ingredients**

										Low risk					High risk	
										5-level assessment	1	2	3	4	5	
Main raw ingredients	Dependencies on raw ingredient procurement partners	Impacts on environment				Impact on human rights										
		Climate change	Water usage	Pollution	Land use	Child labor	Forced labor	Working hours	Appropriate wages and benefits	Discrimination, abuse and harassment	Freedom of association and collective bargaining	Access to remedies	Health and safety			
	Barley	2	2	2	4	3	1	1	1	1	2	1	1	1		
	Coffee beans	2	5	5	4	5	5	5	5	5	4	4	3	5		
	Corn	3	1	2	5	2	3	2	2	2	3	4	2	4		
	Raw milk	4	4	N/A	N/A	N/A	1	1	4	1	4	1	1	1		
	Green tea leaves	5	5	5	5	2	1	1	2	1	4	1	1	1		
	Hop	3	5	4	3	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
	Oak	4	2	N/A	N/A	N/A	2	2	2	2	1	4	1	4		
	Sugarcane	1	1	1	5	1	3	2	2	3	1	3	3	4		

\* N/A indicates that the item could not be assessed this time due to a lack of data

The results of this survey showed that coffee beans pose the highest risk in terms of both environmental and human rights impacts, and that, among the countries from which Suntory Group sources coffee beans, Brazil poses the highest risk. Suntory Group procures some of our produce from the “Fazenda Bau” farm in Brazil, which has received international sustainability certification, and is also promoting a program to support the farmers we source our produce from in collaboration with trading companies and local partners. As a result, we have confirmed the appropriateness of the direction of the current procurement strategy.

Additionally, the results showed that green tea leaves have a relatively high impact on the environment in terms of GHG emissions and water usage. Suntory Group is working with the Kuma Regional Agricultural Cooperative in Kumamoto Prefecture, a producer of green tea leaves, to introduce environmentally conscious processes in the tea leaf manufacturing process, thereby reducing GHG emissions by more than 30% compared to typical manufacturing processes. We will continue to consider further activities in the future.

Based on the amount of fertilizer used, 6 raw ingredients (barley, coffee beans, corn, green tea leaves, hops, and sugar cane) were identified as having a high impact of “soil contamination.” For 4 of these materials (barley, coffee beans, corn, and sugar cane), Suntory Group is actively promoting sustainable agricultural practices, such as regenerative agriculture, and plans to continue expanding our activities in the future. Through this survey, we were able to identify combinations of raw ingredients and supply source (country) that are generally high risk. Going forward, we will use these results to consider strategies that take into account field investigations and other pertinent information.

## Financial Risks and Opportunities related to Climate Change and Nature

In examining future risks and opportunities, we assumed 2 scenarios for climate change and 1 scenario for nature, and assessed the financial impacts of each.



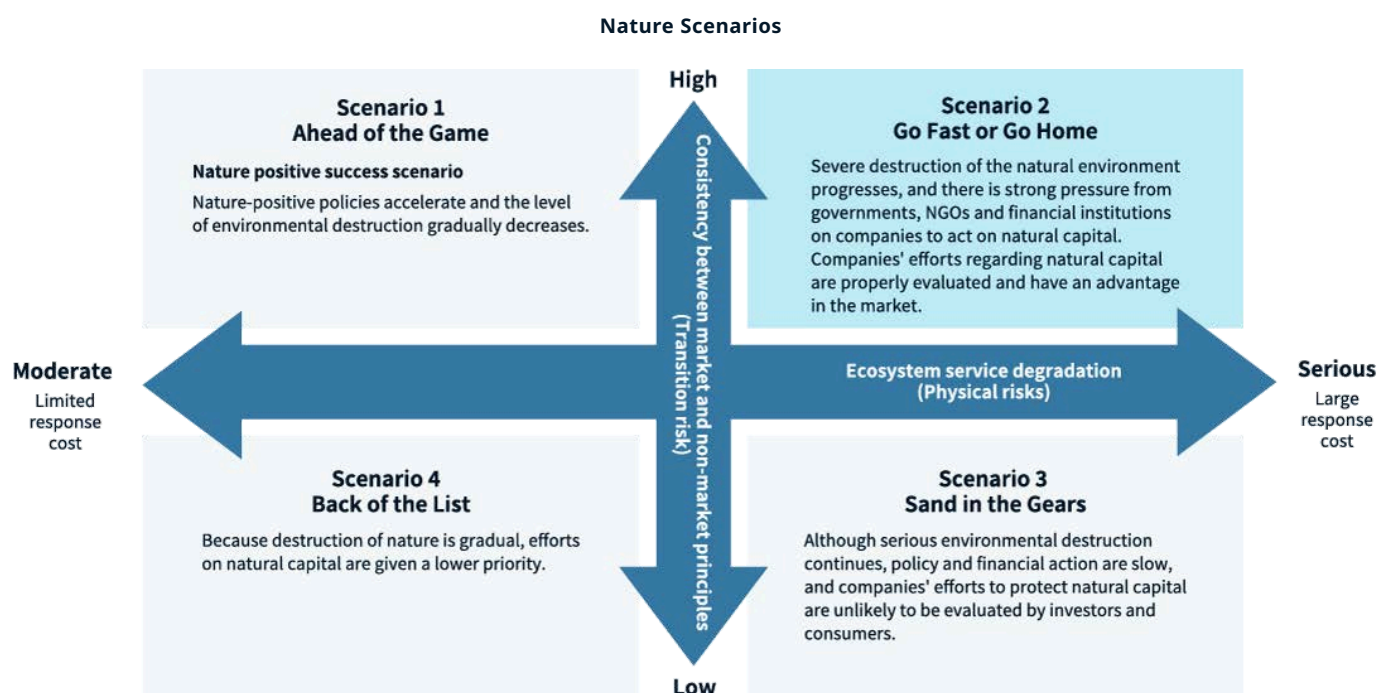
## Climate Change Scenarios

Scenario	1.5°C Transition scenario (RCP 2.6/SSP 1-1.9)	3.0°C/4.0°C Physical scenario (RCP 8.5/SSP 2-4.5)
Scenario context	<ul style="list-style-type: none"> <li>The increase in global average temperature by 2100 is limited to 1.5°C.</li> <li>Net zero is achieved by 2050 through fundamental changes in private business operations and shifts in consumer behavior, influenced by global and national policies.</li> <li>Products and services that contribute to climate change measures are supported by society and consumers, and are also economically viable.</li> </ul>	<ul style="list-style-type: none"> <li>The global average temperature rise by 2100 is around 3.0°C to 4.0°C, making it impossible to achieve net zero by 2050.</li> <li>The frequency and intensity of extreme weather events such as heat waves and heavy rains increase. This raises concerns about a decline in agricultural productivity and changes to ecosystems.</li> <li>Public awareness of climate change remains low, both in society and among consumers, and products and services that support climate change mitigation have not become widespread.</li> </ul>

## Nature Scenarios

As there are no normative scenarios for nature, Suntory Group has interpreted the 4 scenarios presented by TNFD and examined scenarios that we believe are appropriate for considering future risks and opportunities.

While Suntory Group aims to achieve Scenario 1 (Ahead of the Game) in which Nature Positive is successful, we also aim to test the resilience of our strategies by evaluating Scenario 2 (Go Fast or Go Home), in which physical and transition risks are deemed to be most severe, and we identified risks and opportunities and assessed their financial impacts.



\* Some interpretation and modification from the TNFD Final Recommendation v1.0

## List of Risks and Opportunities

Based on the scenarios set out above, we identified the key risks and opportunities related to climate change and natural capital and organized countermeasures. As a result, for physical risks, we were able to confirm that countermeasures are largely in place or under consideration. Additionally, in terms of responding to transition risks, we reaffirmed the need to closely monitor legislative trends and consumer preferences in countries around the world and flexibly develop response strategies.

With regard to opportunities, we will expand opportunities for business continuity through risk reduction and other measures, as well as opportunities for business growth by offering innovative products and services that capture consumer preferences.

## Definition of Period in Which Risks and Opportunities Emerge

The periods in which risks and opportunities emerge are categorized as follows.

The mid-term period is based on our Environmental Targets toward 2030, while the long-term period is based on our Environmental Vision toward 2050.

- Short-term: Within 1 year from the assessment
- Mid-term: Period until 2030
- Long-term: Period until 2050

## Financial Impact Assessment Criteria

The criteria for evaluating financial impact are unified with the enterprise risk management (ERM) criteria, and items with a medium to large financial impact are listed.

Category	Subcategory	Main risks and opportunities	Correlation with natural capital and climate change	Value chain	Financial impacts	Risk emergence timeline	Countermeasures
Physical	Acute/Chronic	Shutdown of operations due to extreme weather (floods, tidal surge, storms, etc.)	Climate change	Direct operations	Medium to large	Short to medium	<ul style="list-style-type: none"> <li>• The Global Risk Management Committee conducts risk assessments of all our production sites</li> <li>• BCP (business continuity plan) response</li> </ul>
Physical	Chronic	Shutdowns due to water shortages caused by excessive water withdrawal in surrounding areas and increased droughts	Natural capital Climate change	Direct operations	Medium to large	Mid to long	<ul style="list-style-type: none"> <li>• Thorough management based on water risk assessment</li> <li>• Implementation of initiatives with the goal of replenishing 100% or more of the water used through water replenishment activities</li> </ul> <p>➤ <a href="#">Water Risk Assessment Suntory Group's Sustainability Suntory</a></p>
Physical	Chronic	Increased costs for quality control and wastewater regulations due to deterioration of water quality in surrounding areas	Natural capital	Direct operations	Medium to large	Mid to long	<ul style="list-style-type: none"> <li>• Water quality monitoring and management of wastewater</li> </ul> <p>➤ <a href="#">Water Risk Assessment Suntory Group's Sustainability Suntory</a></p>

Physical	Acute/Chronic	Decreasing crop yields and relocation of suitable cultivation areas leading to unstable procurement and higher procurement costs	Natural capital Climate change	Upstream	Medium to large	Mid to long	<ul style="list-style-type: none"> <li>Promotion of sustainable agricultural practices, including regenerative agriculture</li> <li>Research and development of breeding resilient to climate change</li> </ul> <p>➤ <b>Sustainable Procurement</b> <b>Suntory Group's Sustainability</b> <b>Suntory</b></p>
Transition	Policy	Higher cost due to introduction of carbon taxes	Climate change	Upstream/Direct operations	Medium to large	Mid to long	<ul style="list-style-type: none"> <li>Implementation of measures to achieve Environmental Vision toward 2050 and Environmental Targets toward 2030</li> </ul> <p>➤ <b>Climate Action</b> <b>Suntory Group's Sustainability</b> <b>Suntory</b></p>
Transition	Policy	Increased costs from compliance with regulations regarding raw ingredients, containers, and packaging	Natural capital Climate change	Value chain Overall	Medium to large	Mid to long	<ul style="list-style-type: none"> <li>Initiatives for sustainable procurement and recycling of containers and packaging</li> </ul> <p>➤ <b>Climate Action</b> <b>Suntory Group's Sustainability</b> <b>Suntory</b></p>
Transition	Markets	Revenue decline due to delayed response to shifting consumer preferences toward sustainable products	Natural capital Climate change	Direct operations	Medium to large	Mid to long	<ul style="list-style-type: none"> <li>Promotion of nature and climate transition plans based on scientific data</li> <li>Continuous implementation of consumer surveys</li> </ul> <p>➤ <b>Climate Action</b> <b>Suntory Group's Sustainability</b> <b>Suntory</b></p>
Transition	Reputation	Revenue decline resulting from criticism by NGOs and media regarding environmental and social issues	Natural capital Climate change	Direct operations	Large	Mid to long	<ul style="list-style-type: none"> <li>Promote science-based nature and climate transition plans, engage with communities and other stakeholders, and continue to disclose information.</li> </ul>



Opportunity	Enhancement of brand value through increased public recognition of the company's commitment to responsible water stewardship	Natural capital Climate change	Downstream	Large	Short to long	<ul style="list-style-type: none"> <li>Continue and strengthen water replenishment activities based on scientific data, water conservation and water quality management initiatives at plants, and the Mizuiku education program and other water-related awareness programs, while also disseminating information to the public</li> </ul> <p>➤ <a href="#">Water Sustainability</a> <a href="#">Suntory Group's Sustainability</a> <a href="#">Suntory</a></p>
Opportunity	Revenue growth driven by the capture of new market and income opportunities.	Natural capital Climate change	Downstream	Large	Mid to long	<ul style="list-style-type: none"> <li>Promotion of fundamental research and development</li> <li>Operation of internal venture system</li> </ul>




































Of the identified risks and opportunities, we estimated the financial impact from a climate change perspective for 3 points: "Shutdowns due to water shortages caused by excessive water withdrawal in surrounding areas and increased droughts," "Higher cost due to introduction of carbon taxes," and "Decreasing crop yields and relocation of suitable cultivation areas leading to unstable procurement and higher procurement costs."

Risk	Financial impact amount	Approach and method of calculation
Shutdowns due to water shortages caused by excessive water withdrawal in surrounding areas and increased droughts	Lost opportunity cost: 26.0 billion yen (2030 and 2050/3°C and 4°C scenarios)	Estimated the cost impact assuming a 1 month water withdrawal restriction at all of our plants located in areas with high water stress (Exchange rate assumption: 1 US dollar = 146 Japanese yen)
Higher cost due to introduction of carbon taxes	2030: production costs set to increase by 19.0 billion yen 2050: production costs set to increase by 35.0 billion yen (1.5°C scenario)	Calculated based on our 2019 emissions (Scope 1 and 2) using the IEA NZE carbon tax price forecast <ul style="list-style-type: none"> <li>2030: Japan, Europe, Americas: \$140/t, APAC: \$90/t</li> <li>2050: Japan, Europe, Americas: \$250/t, APAC: \$200/t</li> </ul> (Exchange rate assumption: 1 US dollar = 146 Japanese yen)
Decreasing crop yields and relocation of suitable cultivation	2030: procurement costs set to increase by 5.9 billion yen	Using a scientific data-based climate change impact calculation tool, we

areas leading to unstable procurement and higher procurement costs	2050: procurement costs set to increase by 8.0 billion yen (*) (3°C and 4°C scenarios)	grasped the impact on agricultural yields and calculated the cost impact based on the assumption of increased raw ingredient prices and usage amounts (Exchange rate assumption: 1 US dollar = 146 Japanese yen)
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(\*) Yield Impact on Key Raw Ingredients and Their Production Areas Under a 4°C Scenario by 2050







-/+ Impact    Below 10%       
More than 10% ~ below 50%       
More than 50%       

Business Sector	Raw material	North America	Latin America	Asia	Europe/Africa	Oceania
Alcoholic and non-alcoholic beverage	Barley*	Canada Yield:  			UK Yield:   France Yield:  	
Alcoholic and non-alcoholic beverage	Corn*	USA Yield: 	Brazil Yield: 	China Yield:  		
Alcoholic and non-alcoholic beverage	Sugarcane*		Brazil Yield:   	Thailand Yield:  		Australia Yield:  
Alcoholic beverage	Oak	USA Wood quantity:  		Japan Suitable land :   	Spain Suitable land :   	
Alcoholic beverage	Hop	USA Yield: 			Germany Yield:  Czech Yield: 	
Non-alcoholic beverage	Coffee beans		Brazil Yield :   Colombia Yield :   Guatemala Yield :   			

\* Include origin of processed ingredient

As shown in figure below, based on the analysis at the end of July 2025, the total business impact of the 4°C scenario as of 2050 is projected to be a positive 8.0 billion yen. Prices of coffee beans, oolong tea leaves, corn, and barley are projected to rise due to falling output, raising procurement costs. At the same time, sugarcane and sugar beet prices are projected to decrease on higher output, resulting in a positive business impact.

## Impact on Procurement Costs of Key Raw Ingredients in the 2050 4°C Scenario

Key Raw Ingredients	Business Impact
 Coffee	<b>8.0</b> billion yen
 Oolong Tea	<b>0.5</b> billion yen
 Corn	<b>2.5</b> billion yen
 Barley	<b>2.0</b> billion yen
 Sugarcane	<b>-4.5</b> billion yen
 Sugar Beet	<b>-0.5</b> billion yen

Total: **8.0** billion yen

\* Scope of company: Suntory Global Spirits Inc., Suntory Beverage & Food Limited, Suntory Spirits Ltd.

\* Currency exchange rate 1USD=146 JPY

\* For corn, calculations included alcoholic beverage and food use, including processed raw ingredients

\* For barley, calculations were made for alcoholic beverage use only

## Suntory Group's Initiatives for Nature and Climate

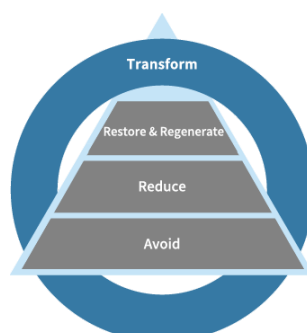
Since nature and climate are interrelated and affect each other, taking an integrated approach to address both issues is more effective. We also consider the impact of each initiative on local communities, business partners, customers, and others, believing it is important to maximize the effectiveness of initiatives by collaborating with other private sector companies and government agencies, not to mention through appropriate engagement with stakeholders.

We have recently organized the nature and climate-related initiatives being undertaken by Suntory Group and linked the impact on nature to the AR3T Framework presented by SBTN, as well as the elements of the Engagement Strategy in the framework on climate transition planning published by the Transition Plan Taskforce (TPT) and the discussion paper on nature transition planning published by the TNFD.





As a result, we were able to confirm that our materiality is being addressed while taking into consideration important stakeholders. As we move forward with further nature and climate transition plans, we recognize the need to take into account a "just transition," and will consider steps for this transition, such as engaging with stakeholders in raw ingredient producing regions.

Going forward, we will consider additional initiatives that Suntory Group should undertake in line with the frameworks of various transition plans.

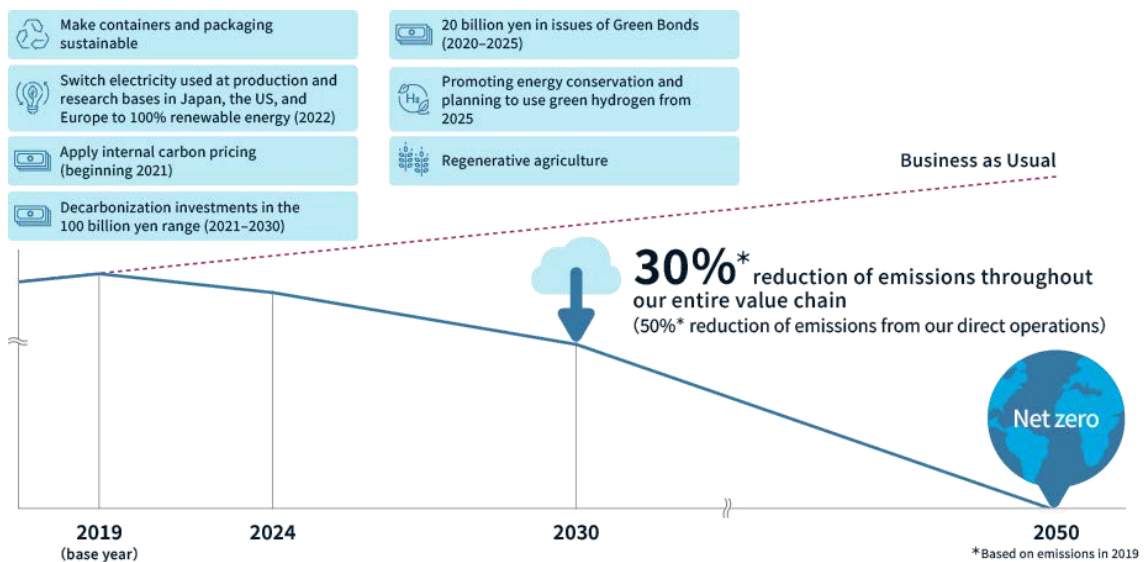
### AR3T Framework



## Main Initiatives in the Transition Plan

Materiality	Key Initiatives in Transition Plan	Action to Climate Change		Action to Nature (AR3T framework)				Engagement Strategy			
		Mitigation	Adaptation	Avoid	Reduce	Restore and regenerate	Transform	Community	Value Chain	Industry	Policy
<b>Water sustainability</b> 	Water replenishment and conservation		●			●	●	●		●	●
	Water conservation at own plants		●		●						
	Mizuiku - Education Program for Nature and Water		●		●		●	●	●		●
<b>Raw ingredients</b> 	Sustainable agriculture, including regenerative agriculture	●	●		●	●	●	●	●		
<b>Containers and packaging</b> 	Promote "bottle to bottle" horizontal recycling for PET bottles	●			●		●	●		●	●
	Raise awareness of PET bottle recycling	●			●		●	●			●
	Develop PET Bottles using bio-derived material	●			●		●		●		
	Effective use of other resources	●			●						
<b>Climate action</b> 	Energy: Promote introduction of renewable energy such as green hydrogen, etc.	●			●		●	●	●		●
	Energy: Conserve energy by improving logistics efficiency, etc.	●			●					●	
	BCP: Increase resilience to disasters including floods		●	●	●						

## Road Map to Net Zero





For details on our activities regarding each materiality, see below.

Key issues	Relevant page
Water	<a href="#">▶ Water Sustainability Suntory Group's Sustainability Suntory</a> <a href="#">▶ Water Risk Assessment Suntory Group's Sustainability Suntory</a>
Raw ingredients	<a href="#">▶ Sustainable Procurement Suntory Group's Sustainability Suntory</a>
Climate action	<a href="#">▶ Climate Action Suntory Group's Sustainability Suntory</a>
Containers and packaging	<a href="#">▶ Packaging &amp; Resource Efficiency Suntory Group's Sustainability Suntory</a>

## Key Initiatives in Transition Plan (1)

### Water Replenishment Activities and Awareness Raising Involving Local Communities and Other Stakeholders

Stakeholder Engagement : [Community](#) [Value Chain](#) [Government Policy](#)

#### Forest Management and Water Resource Replenishment based on Scientific Knowledge

Water is Suntory Group's most important raw ingredient and a precious shared resource with local communities. Suntory Group has been conducting the Suntory Natural Water Sanctuary initiative since 2003 to replenish high-quality groundwater in the water source areas of our plants in Japan and to conserve and revitalize forests and biodiversity. Since 2019, the Group has achieved water positivity, replenishing more than twice the amount of groundwater withdrawn by our plants in Japan.

Suntory Group regards this initiative as a part of our core business, rather than a volunteer activity, and is carrying out forestry development with the following goals in mind:

- Forests with a great capacity for conserving and restoring water resources
- Forests rich in biodiversity
- Forests able to withstand flooding and landslides
- Forests with great CO<sub>2</sub> absorption capabilities
- Beautiful forests where visitors can encounter nature in all its abundance

Forests that nurture pristine groundwater are also rich in biodiversity. When the inherent forest functions are restored, the flora and fauna also begin to thrive in new ways. Suntory Natural Water Sanctuaries are managed systematically through continuous monitoring of the ecosystem, which includes plants, birds, and other wildlife.

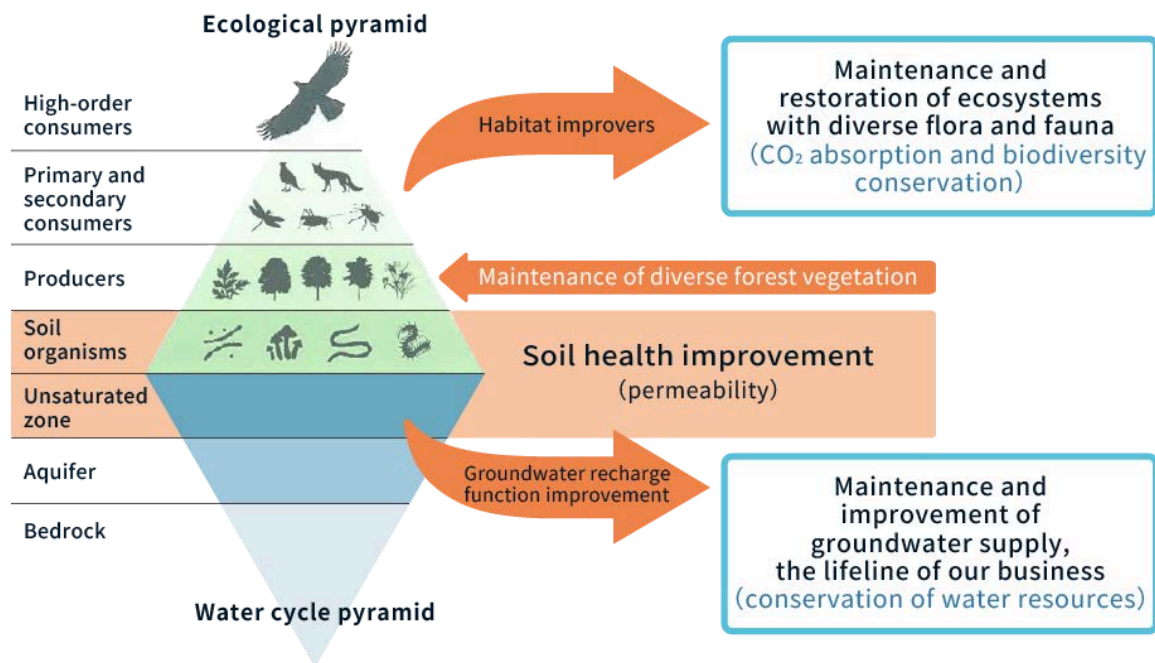
Specifically, considering how wild birds are a barometer of environmental health, we have experts conduct a wild bird survey every year to furnish a broader understanding of the changes taking place in the entire supporting ecosystem. At all Suntory Natural Water Sanctuaries in Japan (26 locations), we are carrying out an Eagles/Hawks Rearing Support Project to support the nesting and breeding of birds of prey, including eagles and hawks, which are at the top of the ecological pyramid. The aim is to continue maintaining forests rich in biodiversity by monitoring the sanctuaries from a bird's perspective.

In addition, when planting trees in Suntory Natural Water Sanctuaries, we collect seeds from the surrounding forests to grow locally-sourced seedlings with careful attention to their DNA in order to avoid any negative impact on biodiversity.

In promoting these activities, we conduct research based on the latest hydrological knowledge by the Institute for Water Science, a specialized water research institute within Suntory Group. We also work with researchers and experts in water, forests, biology, development, soil, and other fields, as well as local residents, to carry out ongoing activities based on scientific evidence with an eye toward the next 100 years.



▶ **Protecting the Forests That Nurture Abundant Water: Suntory Natural Water Sanctuary Initiative**

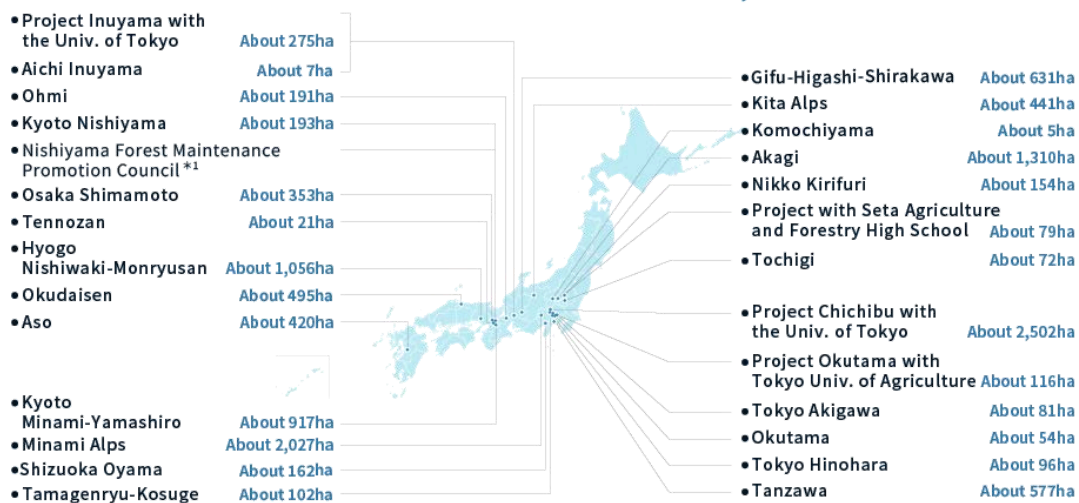


Additionally, 6\* Suntory Natural Water Sanctuaries (covering a total of 2,776 hectares) have been certified as Sites Coexisting with Nature promoted by the Ministry of the Environment as part of an initiative aimed at achieving 30by30 goals (which seeks to conserve and protect at least 30% of land and ocean areas by 2030). (As of July 2025)

\* Hyogo Nishiwaki-Monryusan, Tokyo Akigawa, Shizuoka Oyama, Nikko Kirifuri, Ohmi, and Akagi

## Suntory Natural Water Sanctuary

**26 areas nationwide Around 12,000ha** (As of July 2025)

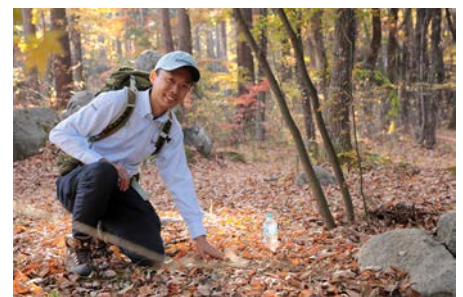


\*1 In Nagaokakyo, Kyoto, we are a member of the Nishiyama Forestry Development Promotion Committee and we are cooperating in local forest preservation activities with people in the community. The area of the forests subject to this activity is not counted as part of our total Natural Water Sanctuary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

## ➤ Suntory Natural Water Sanctuary

### Suntory Mizuiku - Education Program for Nature and Water

Suntory Group has been implementing Mizuiku - education program for nature and water since 2004. The program is unique to Suntory Group and designed for the next generation to realize the beauty of nature and the importance of water and the forests that nurture groundwater. It also inspires students to think about what each of them can do for water sustainability. Mizuiku is currently deployed in 8 countries, with cumulative number of participants exceeding 1,190,000 (as of December 31, 2024). Because water issues vary from region to region, Mizuiku programs are customized with the cooperation of NGOs and local governments in each country.



➤ **Bequeathing Water to Future Generations and Conveying Its Importance through Mizuiku, Suntory's Education Program for Nature and Water**

## Evaluations on Sustainable Water Use from Certification Bodies

Suntory Group's efforts to address water issues throughout the entire watershed in collaboration with stakeholders such as local governments, NGOs, educational institutions, and local residents have been recognized with the Alliance for Water Stewardship (AWS) certification\*, with Suntory's Kyushu Kumamoto Plant, Okudaisen Bunanomori Water Plant, and Suntory Minami Alps Hakushu Water Plant receiving the highest Platinum certification. Suntory Group is the only Japanese company to have received Platinum certification.

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

## Water Resource Replenishment and Conservation Activities Around the World

Currently, Suntory Group is promoting water resource replenishment and conservation activities at 33 locations\* in 8 countries around the world, including Japan. In Scotland, we are promoting the Peatland Water Sanctuary project to ensure the sustainability of peat, essential for whisky production, while also conserving and restoring peatlands, which are also important water resources. We plan to invest more than 4 million U.S. dollars in the restoration of 1,300 hectares of peatlands by 2030 and to restore peatland that can create twice the amount of peat that Suntory Group uses by 2040.

In this way, our efforts to protect water, the lifeline of business, and the nature that nurtures it, are spreading throughout the world.

\* 26 locations in Japan and 7 overseas



➤ **The Peatland Water Sanctuary™ Initiative: For Peat, an Important Ingredient in Whisky, and for the Future of the Planet**



### Case Studies of the Landscape Approach

Suntory Group practices a landscape approach\* to effectively address environmental issues by involving relevant stakeholders.

\* The landscape approach is a method for finding solutions to problems by comprehensively dealing with diverse human activities and the natural environment in a certain region or space, based on land and spatial planning.

#### Japan: Groundwater Conservation Activities in Kumamoto City

Kumamoto City, the location of the Kyushu Kumamoto Plant, is a fertile region known for its abundant groundwater and greenery. All of the city's tap water is sourced from groundwater. However, in recent years, concerns have been raised about reduced groundwater replenishment and increased risk of flooding due to the conversion of farmland and other forms of land associated with large-scale urban development and the construction of plants. For this reason, it has become even more important to promote the conservation of the water cycle (water positive) and the regeneration and conservation of the natural environment that supports it (nature positive) throughout the region.

Since 2003, Suntory Group has been working on water replenishment through forest management at Suntory Natural Water Sanctuary Aso. We have also been conducting groundwater replenishment activities called "winter water paddies" that integrate

the region's mountains, rivers and rice paddies. This represents a new attempt at water replenishment, which involves increasing the flow of rivers in the winter by improving the upstream forests and rivers, and then allowing that water to penetrate underground through the water paddies on the alluvial fan. To convert the water paddies to organic farming, we are also working with local farmers to develop technologies that revive the diverse organisms living in the fields that also help to reduce damage from pests and diseases. Additionally, we are working on community-based initiatives, such as conducting surveys of the wildlife in water paddies together with local elementary school students.

In March 2025, 6 organizations, including Suntory Holdings, launched Kumamoto Water Positive Action as a collaborative initiative involving industry, academia, and finance that aims to preserve Kumamoto's water cycle. Using green infrastructure such as rain gardens and winter water paddies, the initiative promotes groundwater replenishment, mitigation of inland and external flooding, measures against the heat island effect, and improvement of landscapes and biodiversity.

➤ [Winter Water Paddies/Activities Policy and Systems/Suntory Natural Water Sanctuary](#) 

➤ [Water Cycle Conservation Event held in Kumamoto through collaboration between Industry, Academia and Finance: Launching of Kumamoto Water Positive Action with the Spread of Green Infrastructure February 27, 2025 News Release Suntory](#) 

### Mexico: Charco Bendito Project

In the country-level water stress assessments where the Suntory Group's plants are located, Mexico was one of the countries with high water stress. Casa Sauza, Suntory Group's tequila producer, is working on water replenishment activities as a partner company of the Charco Bendito project in Mexico. This watershed initiative is a collaboration with the Beverage Industry Environmental Roundtable (BIER) and 13 other manufacturing companies working to restore ecology and forests in the Lerma-Santiago River watershed through reforestation, soil conservation, and aquifer recharge activities.

This project works with local communities to provide drinking water to local residents without access to water. It also supports local sustainable agriculture and forestry employment through beekeeping and honey production, and protects important community heritage areas.

## Key Initiatives in Transition Plan (2)

### Promotion of Sustainable Agriculture, including Regenerative Agriculture

Stakeholder Engagement :

Community

Value Chain

According to the Food and Agriculture Organization of the United Nations (FAO), around 30% of the world's total GHG emissions originate from the food system, with agricultural production accounting for more than 40% of that. Reducing GHG emissions from agricultural crops, a bounty of nature essential to Suntory Group's products, is important in reducing GHG emissions throughout Suntory Group's entire value chain. Climate change is also expected to have a significant impact on the production activities of our agricultural raw ingredients, including fluctuations in yields and shifts in suitable cultivation areas. Therefore, promoting research and development for sustainable agriculture and breeding that is resilient to climate change is essential for the business continuity of Suntory Group. From this perspective, Suntory Group is working with trading companies, farmers, local experts and others to promote sustainable agriculture, including regenerative agriculture\*. In particular, regenerative agriculture, which has been introduced in the cultivation of corn, barley, sugar cane, and other crops, is expected to reduce GHG emissions through farming methods such as the use of cover crops and no-till farming. At the same time, it will regenerate soil biodiversity, make the soil more fertile, reduce the use of chemical fertilizers and pesticides, and enable the more efficient use of water.

Additionally, for the cultivation of key raw ingredients (i.e., coffee beans, barley, and grapes) that require large amounts of water in water-stressed regions, we are working with suppliers to improve water-use efficiency.

Coffee beans are considered to have a high environmental impact and human rights risk. As a result, we procure some of our coffee beans from Fazenda Bau Farm in Brazil, which has received international sustainability certification. We also work with trading companies and local partners to promote programs to support the coffee farmers we do business with,



➤ [Saving the Planet with Agriculture: Collaborating with Farmers to Pioneer Regenerative Agriculture](#)



➤ [Protecting UK Blackcurrants and Their Growers: Sustainable Agriculture Support Program](#)



identify and correct any issues, and take other measures, while also taking into consideration the human rights of people working in the value chain.

\* Regenerative agriculture: An outcome-based approach to agriculture that protects and improves soil health and biodiversity while also contributing to improving the livelihoods of farmers.

Raw Ingredients and Production Areas of Sustainable Farming

Legend: ★ Regenerative agriculture

Business	Ingredient	Producing country
Non-alcoholic beverage	Coffee beans ★	Brazil, Guatemala, and Uganda
Alcoholic and non-alcoholic beverage	Corn ★	USA
Alcoholic and non-alcoholic beverage	Barley ★	UK
Alcoholic and non-alcoholic beverage	Sugarcane ★	Thailand
Alcoholic Beverages	Agave ★	Mexico
Non-alcoholic beverage	Blackcurrant ★	UK
Non-alcoholic beverage	Grape	Japan

Sustainable Procurement Suntory Group's Sustainability Suntory

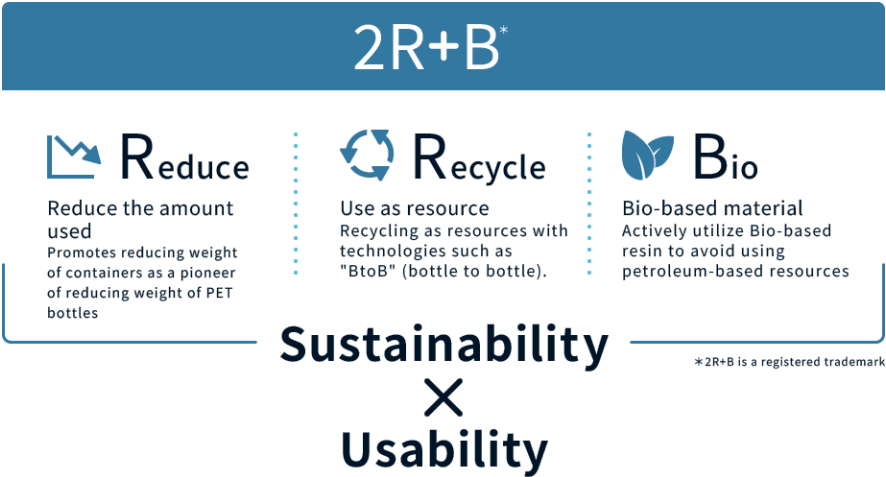
Key Initiatives in Transition Plan (3)

Initiatives to Achieve PET Bottles Made from 100% Recycled or Plant-based Materials

Stakeholder Engagement : Community Value Chain Industry Government Policy

Plastics have enriched our lives through their usefulness. On the other hand, the environmental impact caused by improper handling of used plastics has become a problem.

To powerfully lead the transition to a circular and net-zero society, Suntory Group is advancing activities to switch all of the PET bottles we use worldwide to be made of 100% recycled or bio-based materials by 2030, completely eliminating the use of virgin petroleum-based materials. Based on Suntory Group's own 2R+B (Reduce, Recycle + Bio) strategy, we are working to thoroughly make effective use of resources by reducing resin use and using recycled or bio-based materials, while replacing petroleum-based materials with renewable ones.



## Promotion of “Bottle to Bottle” Horizontal Recycling

“Bottle to bottle” horizontal recycling recycles PET bottles many times, using them as a resource, which can help reduce the use of virgin petroleum-based materials and CO<sub>2</sub> emissions. “Bottle to bottle” horizontal recycling using a mechanical recycling<sup>\*1</sup> technique is the recycling method with lower environmental impact (lower CO<sub>2</sub> emissions throughout the process, from raw materials procurement to PET preform production) compared to chemical recycling<sup>\*2</sup>. Therefore, we prioritize “bottle-to-bottle” horizontal recycling, aiming to realize a sustainable society by repeatedly reusing PET bottles as resources.

In order to promote the resource recycling of PET bottles in Japan, we have concluded agreements on “bottle to bottle” horizontal recycling with local governments, distribution companies and others, under which we are collecting used PET bottles and recycling them into new ones.

Because horizontal recycling requires the understanding and cooperation of consumers, we hold events to raise awareness among consumers and provide educational outreach classes on PET bottle recycling at elementary and junior high schools in partner municipalities.

## Initiatives for Recycling Used Plastic

In 2020, Suntory Group established R Plus Japan Ltd., a joint venture together with 12 companies (including Suntory) in the supply chain to engage in the recycling of used plastics. As of March 2025, the number of participating companies has expanded to 48, and together with Anellotech, a bio-chemical venture firm in the United States, we are developing technologies to recycle used plastics.

### ➤ Packaging & Resource Efficiency Suntory Group’s Sustainability Suntory

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

\*2 Chemical recycling: A method of chemically breaking down plastics into their original raw materials and monomers, and then reusing them.

## Key Initiatives in Transition Plan (4)

### Realizing Plants with Effectively Zero GHG Emissions by Using Green Hydrogen

Stakeholder Engagement :

Community

Value Chain

Government Policy

In our Environmental Targets toward 2030, Suntory Group has set a goal of reducing GHG emissions from our owned business sites by 50% compared to 2019. Currently, we use 100% renewable energy for electric power purchased at all alcohol beverage, non-alcohol beverage and food manufacturing sites and R&D facilities in Japan, the Americas, and Europe.

Furthermore, we plan to install a 16-megawatt power to gas (P2G) system, the largest in Japan, at the Suntory Minami Alps Hakushu Water Plant and Suntory Hakushu Distillery by 2025. The system will utilize electricity derived from solar power and other renewable energy sources, making it capable of producing “green hydrogen” without emitting CO<sub>2</sub> during the hydrogen production process.

With the introduction of this system, we plan to work with Yamanashi Prefecture to explore the conversion of fuel for thermal energy used in plants, such as the steam used in the sterilization process at the Suntory Minami Alps Hakushu Water Plant, to green hydrogen, as well as the use of green hydrogen in the surrounding communities.

\* Green hydrogen: Hydrogen produced without emitting CO<sub>2</sub> by using electricity generated using renewable energy such as solar power when electrolyzing water in the production process.

➤ For details, see the news release [Suntory Announces Suntory Green Hydrogen Vision](#). [🔗](#)

## Financial Strategy

### Investment Plan for Decarbonization

Suntory Group plans to invest 100 billion yen from 2021 to 2030 to promote decarbonization. These investments are expected to reduce GHG emissions by approximately 1 million tons in 2030.

### Internal Carbon Pricing

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

## <ICP Summary of Suntory Group>

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

## Financing

Suntory Group raised 20 billion yen using green bonds in 2023. Going forward, these funds will be utilized for the following purposes up to 2025.

- Energy efficiency
  - Capital investment contributing to energy-saving at the plants we own
- Renewable energy
  - Costs for procurement of green hydrogen
  - Capital investment for the construction of biogas refining facilities, biomass heat supply facilities or biomass power generation facilities through wastewater treatment
  - Costs for procurement of electricity generated from renewable energy (purchase of renewable energy certificates)

➤ [Green Bonds Suntory Group's Sustainability Suntory](#)

## Managing Risks and Impacts

### Risk Management System

At Suntory Group, the Global Sustainability Committee identifies, assesses, and manages risks and opportunities related to sustainability. The Global Risk Management Committee regularly identifies and assesses risks within Suntory Group, identifies risks that should be addressed as a priority for Suntory Group, and promotes risk mitigation activities Group-wide. Sustainability-related risks are also included in the scope of the Committee's activities. The results of these activities are reported to the Board of Directors on regular basis. Nature capital-related risks and climate change-related risks are considered to be among the most important risks and the status of responses are monitored within this process.

The process of identifying and assessing risks and opportunities incorporates the collection of external information, such as that on the external environment and in risk reports, as well as interviews with executives. The identified risks and opportunities are then assessed according to "risk exposure (likelihood of occurrence x impact)" and "management preparedness (degree of preparation for countermeasures)," to identify those risks and opportunities to be prioritized.

To identify and manage risks in operations, we use the Sedex\* platform to assess environmental and human rights risks at our suppliers and our own plants. In turn, we encourage corrective action when issues are identified. As a relief system, we have established an internal reporting system for employees. We also have in place the Suntory Group Business Partner Compliance Hotline and Customer Center as reporting channels that can be accessed by suppliers and other stakeholders (community members).

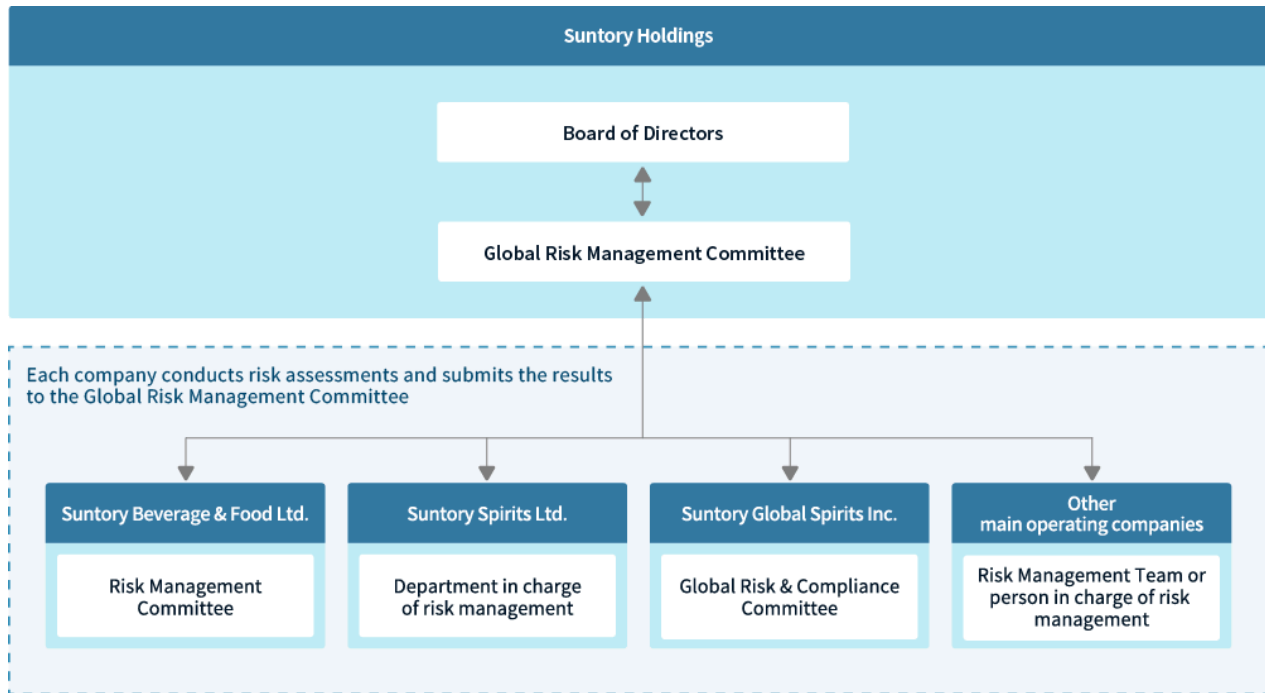
\* Sedex: An NPO that works to improve ethical business practices in global supply chains by providing a platform where member companies can share their own ethical and value chain information.

For more information on human rights risk assessments and response status, see below.

➤ [Respect for Human Rights Suntory Group's Sustainability Suntory](#)

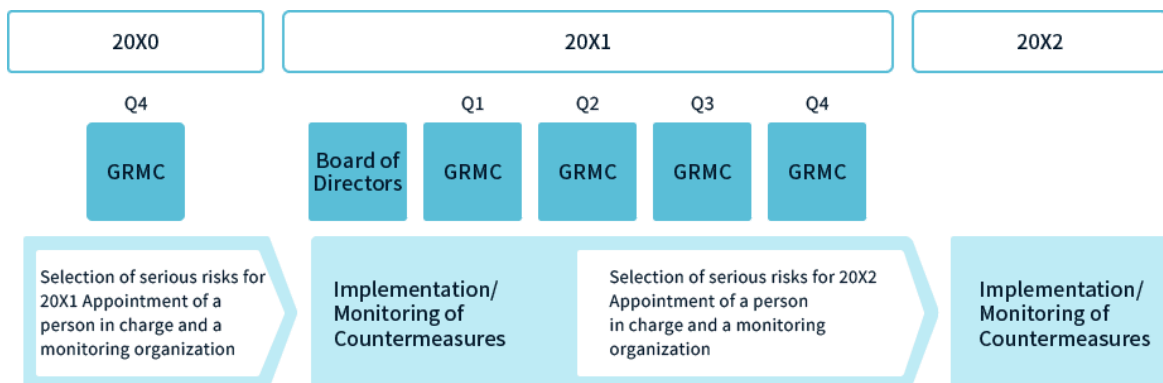


## Organizational Chart













## Method of Managing Identified Risks

For risks identified to require priority response, we appoint a person in charge and a monitoring organization and then implement measures to address the risks. The status of responses is reported and discussed at the Global Risk Management Committee (GRMC). Key risks for the next fiscal year are selected based on the results of the responses, followed by the PDCA cycle of identification, evaluation, countermeasures, and monitoring.



## Indicators and Targets

Suntory Group has established Environmental Targets toward 2030 in addition to our long-term Environmental Vision toward 2050, covering water and climate action, which are expected to have a particularly large impact on our business operations among sustainability issues. We have also set goals for containers and packaging toward 2030 and are currently taking action accordingly.

Materiality		2030 targets	2024 results
<b>Water</b> 	Reduction of water used in direct operation 	Reduce the water intensity of production at our owned plants* <sup>1</sup> by 35%* <sup>2</sup> globally. In addition, explore reduction of absolute amount of water withdrawn in highly water stressed areas	<ul style="list-style-type: none"> <li>Reduced the water intensity of production by 30% compared to 2015.</li> </ul>
	Water replenishment 	Replenish more than 100% of water used in at least 50% of our owned plants* <sup>1</sup> globally, including all those in highly water stressed areas, through local water source conservation efforts. Especially in regions with high water stress, the above initiatives are implemented at all plants.	<ul style="list-style-type: none"> <li>Water replenishment activities implemented in 36% of all owned plants globally.</li> <li>For the plants located in highly water stressed areas, activities are implemented in 31% of those areas.</li> </ul>
	Sustainable water use in raw ingredients 	Collaborate with suppliers to improve water-use efficiency in the production of water-intensive key ingredients* <sup>3</sup> in highly water stressed areas.	<ul style="list-style-type: none"> <li>As an initiative on barley production through regenerative agriculture, we continue working with our malt suppliers to verify the improvement of water use efficiency by improving soil water retention.</li> <li>Implemented a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.</li> </ul>
	Water education and access to safe water 	Expand water education programs and initiatives to provide safe water access for more than 5 million people.	<ul style="list-style-type: none"> <li>Total 1,750,000 people &lt;Breakdown&gt;</li> <li>Water education program: 1,330,000 people</li> <li>Provision of safe water: 420,000 People</li> </ul>
<b>Climate action</b> 	Scope 1,2 	Reduce GHG emissions from our direct operations by 50%* <sup>4</sup>	<ul style="list-style-type: none"> <li>32% reduction against base year</li> </ul>
	Scope 1,2,3 	Reduce GHG emissions across our entire value chain by 30%* <sup>4</sup>	<ul style="list-style-type: none"> <li>GHG emissions across our entire value chain 13% reduction compared to base year</li> </ul>
<b>Containers and packaging</b> 	Use of Sustainable Materials in PET Bottles 	100% of PET bottles made with sustainable materials (globally)	<ul style="list-style-type: none"> <li>Percentage of sustainable materials used in PET bottles (globally) 35%</li> <li>Percentage of sustainable materials used in PET bottles (non-alcoholic beverage business in Japan): 58%</li> </ul>

\*1 Suntory Group plants that manufactures finished products

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

\*3 Coffee beans, barley, grapes

\*4 Based on emissions in 2019.

\*5 Percentage of sustainable materials (e.g., recycled or bio-based materials) in terms of PET bottle weight.

## Contributing to Achievement of Targets set out in the Kunming-Montreal Global Biodiversity Framework

Suntory Group will contribute primarily to achieving the following 9 of the 23 global targets for 2030 set out in the Kunming-Montreal Global Biodiversity Framework, containing global targets for biodiversity adopted at the 15th Conference of Parties to the UN Convention on Biological Diversity (COP15).

1. Reduce threat to biodiversity		Suntory Group's main contributions
Target 2	Restore ecosystems	<ul style="list-style-type: none"> <li>Promotion of water resource replenishment and conservation activities (Currently implementing activities at 33 locations* in 8 countries around the world)</li> </ul> <p>* 26 locations in Japan and 7 overseas</p>
Target 3	30by30, protected areas and OECM (other effective area-based conservation measures)	<ul style="list-style-type: none"> <li>The 6* Suntory Natural Water Sanctuaries (total of 2,776 ha) have been certified as "Sites Coexisting with Nature" by the Ministry of the Environment (as of July 31, 2025)</li> </ul> <p>* Hyogo Nishiwaki-Monryusan, Tokyo Akigawa, Shizuoka Oyama, Nikko Kirifuri, Ohmi, and Akagi</p>
Target 7	Prevent pollution as well as halve loss of nutritive salts and risks of pesticides	<ul style="list-style-type: none"> <li>Switching all the PET bottles used globally for Suntory Group products to be made of recycled or bio-based material by 2030, achieving zero use of virgin petroleum-based materials</li> <li>Thorough water quality monitoring and waste management at our own plants</li> <li>Promotion of regenerative agriculture</li> </ul>
Target 8	Climate change countermeasures	<ul style="list-style-type: none"> <li>Promotion of decarbonization measures to achieve net zero by 2050</li> </ul>
Target 9	Social, economic and environmental benefits to people, especially those in vulnerable situations and those most dependent on biodiversity	<ul style="list-style-type: none"> <li>Initiatives to respect human rights through human rights due diligence</li> <li>Promotion of water resource replenishment and conservation activities</li> </ul>
2. Satisfy people's needs		
Target 10	Sustainable management of agriculture, forestry and fisheries	<ul style="list-style-type: none"> <li>Promotion of water resource replenishment and conservation activities (Suntory Natural Water Sanctuaries forestry development activities)</li> <li>Promotion of regenerative agriculture</li> </ul>
Target 11	Restore, maintain and enhance nature's contributions to people through an approach using solutions or ecosystems using nature	<ul style="list-style-type: none"> <li>Promotion of water resource replenishment and conservation activities</li> <li>Promotion of regenerative agriculture</li> </ul>

3. Tools and solutions for implementation and mainstreaming		
Target 15	Businesses assess and disclose impacts	<ul style="list-style-type: none"> <li>• Participation in SBTN's pilot guidance for businesses on natural environment conservation</li> <li>• Continued analysis and disclosure of our impact on natural capital in line with the TNFD recommendations</li> </ul>
Target 16	Sustainable consumption	<ul style="list-style-type: none"> <li>• Implementation of Mizuiku - education program for nature and water in 8 countries around the world</li> <li>• Promotion of "bottle to bottle" horizontal recycling of PET bottles and activities that raise awareness among and communication with consumers on recycling</li> </ul>

TNFD Core Disclosure Metrics Response Chart

No.	Impact drivers	Metrics	Details of metrics
-		GHG emissions	<a href="#">  Performance Data Suntory Group's Sustainability Suntory         </a>
C1.0	Land/freshwater/ocean-use change	Total spatial footprint	<ul style="list-style-type: none"> <li>• Prior assessment of land use when establishing a new manufacturing base</li> <li>• 6 of Suntory Group's Natural Water Sanctuaries certified as Sites Coexisting with Nature: 2,776.36 t (Hyogo Nishiwaki-Monryusan, Tokyo Akigawa, Shizuoka Oyama, Nikko Kirifuri, Ohmi, and Akagi)</li> </ul>
C1.1	Land/freshwater/ocean-use change	Land/freshwater/ocean-use change	<ul style="list-style-type: none"> <li>• Replenishing more than twice the amount of groundwater withdrawn by plants in Japan through water replenishment in the Suntory Natural Water Sanctuaries" (over 12,000 hectares at 26 locations in 16 prefectures)</li> </ul>
C2.0	Pollution/pollution removal	Pollutants released to soil split by type	<ul style="list-style-type: none"> <li>• Implementing countermeasures after appropriate investigation in accordance with law when changing the characteristics of land</li> </ul>
C2.1	Pollution/pollution removal	Wastewater volume and water quality	<ul style="list-style-type: none"> <li>• BOD load: 533 t (2024 results) *Production sites in Japan only</li> <li>• Volume of water discharged: 22,789,000 m<sup>3</sup> *Production sites overseas only</li> </ul>
C2.2	Pollution/pollution removal	Waste volume	<ul style="list-style-type: none"> <li>• Group's total waste volume: 726,000 t *All Suntory Group production sites are covered</li> <li>• Total recycling volume: 251,000 t *Production sites in Japan only</li> </ul>

			<ul style="list-style-type: none"> <li>● Recycling rate: 97.8%</li> <li>*Production sites in Japan only</li> </ul>
C2.3	Pollution/pollution removal	Waste plastic amount	<p>Waste plastics</p> <ul style="list-style-type: none"> <li>● Generation: 5,838 t</li> <li>*Production sites in Japan only</li> <li>● Recycling rate: 100%</li> <li>*Production sites in Japan only</li> <li>● Percentage of sustainable material used in PET bottles (globally): 35%</li> <li>● Percentage of sustainable material used in PET bottles (non-alcoholic beverage business in Japan): 58%</li> </ul>
C2.4	Pollution/pollution removal	Non-GHG air pollutants	<ul style="list-style-type: none"> <li>● NOx:91.4t</li> <li>● SOx:2.3t</li> <li>*Production sites in Japan only</li> </ul>
C7.2	Risks	Description and value of significant fines/penalties received/litigation action in the year due to negative nature-related impacts	<ul style="list-style-type: none"> <li>● No environmental fines or penalties were received and no lawsuits were filed in fiscal 2024</li> </ul>
C7.3	Opportunities	Amount of capital expenditure, financing or investment deployed toward nature-related opportunities (by type)	<ul style="list-style-type: none"> <li>● Plan to invest 100 billion yen to promote decarbonization by 2030 (conversion to renewable energy, utilization of heat pumps, etc.)</li> <li>● Suntory Global Spirits launched a project in 2021 to protect peat, an important ingredient in whiskey Plan to invest 4 million US dollars by 2030 to conserve 1,300 hectares of peatland and water resource</li> <li>● Raised 20 billion yen through green bonds (scheduled to be used by 2025)</li> </ul>
C7.4	Opportunities	Increase and proportion of revenue from products and services producing demonstrable positive impacts on nature	<ul style="list-style-type: none"> <li>● Suntory's Natural Water Sanctuaries have achieved "water positivity," replenishing more than twice the amount of groundwater withdrawn by its plants in Japan</li> <li>● Communicate under the "Suntory Tennensui (Mineral Water)" brand and contribute to improving the corporate brand and product brand</li> </ul>

\* For 2024, data covers 79 plants in the Group, including 27 production sites in Japan and 52 production sites overseas

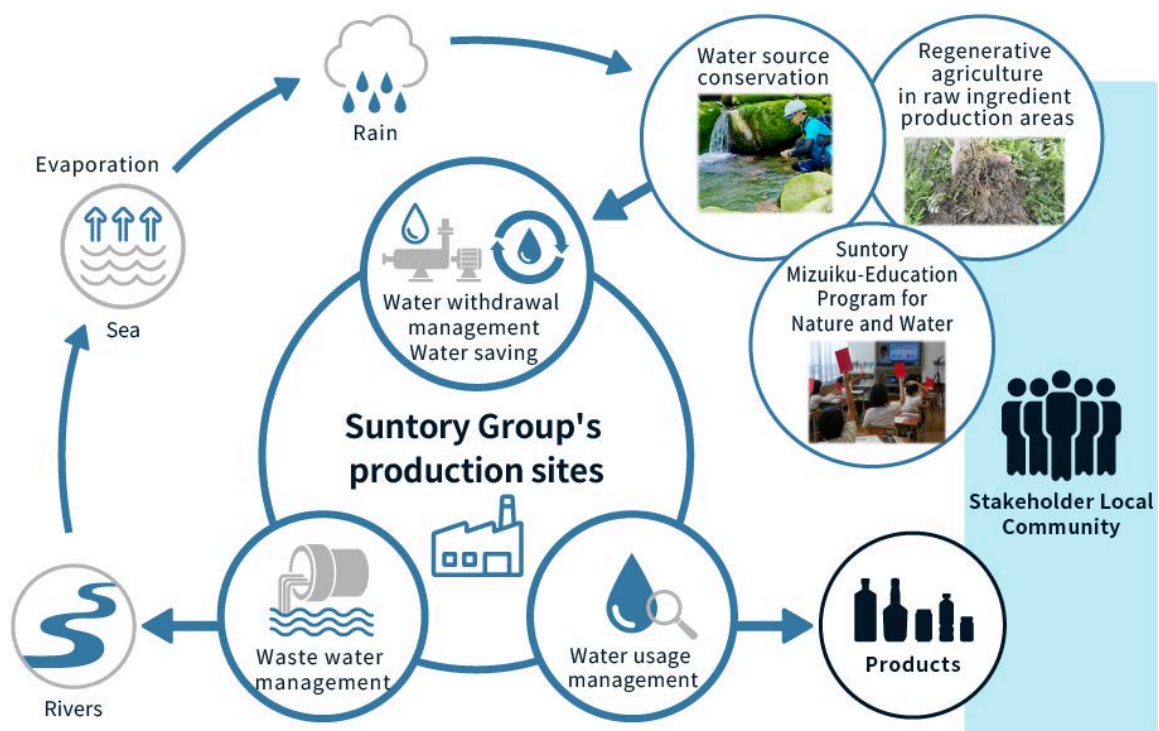
# Water Sustainability

## Our Policies and Approach

Water is a vital resource that supports human life and livelihoods, and the foundation of Suntory Group's business activities. While water is a renewable resource that will never disappear from Earth, only about 0.01% of the planet's water is freshwater accessible to humans. On the other hand, global issues concerning water resources have arisen due to factors such as population growth, economic development in developing countries, and climate change. It is predicted that by 2050, approximately 5 billion people worldwide will face severe water shortages.\* This worldwide water scarcity is intertwined with numerous issues, as water is used not only for drinking and domestic purposes but also extensively in food production.

At the top of Suntory Group's Environmental Principles is "achieving water security." We are advancing various initiatives to contribution to the healthy circulation of water in nature, with a view that encompasses the entire value chain.

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



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

## Suntory Group Sustainable Water Philosophy

As a globally-operating company that depends on and benefits from the water and as a company that operates globally, Suntory Group must earnestly address worldwide challenges and contribute to building a sustainable society.

Based on Suntory Group's Environmental Principles, we have established the Suntory Group "Sustainable Water Philosophy" to guide our efforts in addressing water challenges in various regions around the world. Based on this philosophy, we develop and promote initiatives that are tailored to the water resources conditions in each area where we do operate.

## Suntory Group's "Sustainable Water Philosophy" (Established in January, 2017)

Water is the most important ingredient of our products, as well as a precious shared resource. In pursuit of "achieving water security," which is at the top of Suntory Group's Environmental Principles, we share the following philosophy across the Group to meet stakeholder expectations.

### 1. Understanding the natural cycle of water

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

### 2. Promoting environmentally conscious water use

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

### 3. Conserving watersheds

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

### 4. Engaging with the local community

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

## Promoting Structure

### Global Sustainability Committee

At Suntory Group, we have established a system to promote environmental management centered around the Global Sustainability Committee (GSC). Under the supervision of the Chief Sustainability Officer, GSC formulates strategies related to the 7 key themes of sustainability, which include water, climate action, raw ingredients, containers and packaging, health, human rights, and lifestyle culture. GSC also oversees the progress of these strategies and analyzes the business risks and growth opportunities, reporting to the Board of Directors on a quarterly basis.

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

## Targets and Progress

### Environmental Vision toward 2050



### Water Sustainability

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





Theme	Environmental Targets toward 2030	2024 Results
<b>Reduction of water used in direct operation</b> 	<p>Reduce the water intensity of production at our owned plants by <b>35%<sup>*1</sup></b> globally.</p> <p>In addition, explore reduction of absolute amount of water withdrawn in highly water stressed areas</p>	<ul style="list-style-type: none"> <li>● Reduced the water intensity of production by <b>30%</b> compared to 2015.</li> <li>➤ <b>Initiatives to Reduce the Amount of Water Used in Direct Operation</b></li> </ul>
<b>Water replenishment</b> 	<p>Replenish <b>more than 100%</b> of water used in at least 50% of our owned plants<sup>*2</sup> globally, including all those in highly water stressed areas, through local water source conservation efforts.</p>	<ul style="list-style-type: none"> <li>● Water resource cultivation activities implemented in <b>36%</b> of all owned plants globally.</li> <li>● For the plants located in highly water stressed areas, activities have been implemented in <b>31%</b>.</li> <li>➤ <b>Initiatives at the Water Source</b></li> </ul>
<b>Sustainable water use in raw ingredients</b> 	<p><b>Collaborate with suppliers to improve water-use efficiency</b> in the production of water-intensive key ingredients<sup>*3</sup> in highly water stressed areas.</p>	<ul style="list-style-type: none"> <li>● As part of our efforts in barley production through regenerative agriculture, we are continuously working with our suppliers to verify the improvement of water use efficiency by enhancing soil water retention.</li> <li>● Implemented a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.</li> <li>➤ <b>Raw Ingredient Production-related Initiatives</b></li> </ul>
<b>Water education and access to safe water</b> 	<p>Expand water education programs and initiatives to provide safe water access for more than <b>5 million people</b>.</p>	<ul style="list-style-type: none"> <li>● Total <b>1,750,000</b> people  Water education program: 1,330,000 people  Provision of safe water: 420,000 people</li> <li>➤ <b>Initiatives for Water Education</b></li> </ul>

\*1 Reduction of water intensity of production based on 2015 baseline year

\*2 Suntory Group plants that manufacture finished products: 24 plants in Japan, 45 plants overseas

\*3 Coffee, barley, grapes

➤ **For more information on water-related achievements, see the List of achievements data.**

## Our Initiatives

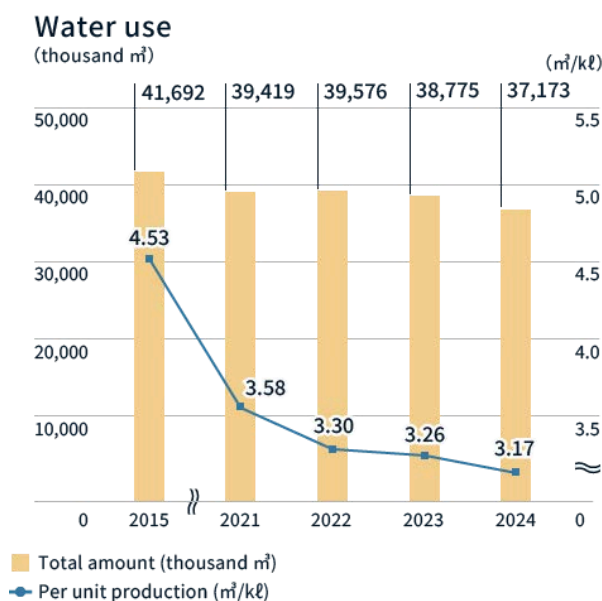
### Water Risk Assessment

Prioritizing the achievement of water sustainability within the "Suntory Group Basic Environmental Policy," Suntory Group established the Suntory Institute for Water Science in 2003, and continuously conducts various assessments related to water. With a focus on sustainable business activities, we conducted risk assessment of water sustainability at our direct operation sites. We also consider water risk assessment when developing new businesses.

➤ **For more information, see Water Risk Assessment.**

## Initiatives to Reduce the Amount of Water Used in Direct Operation

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



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

### Efficient Use of Water Resources

In Suntory Group's plants, water is used not only as an ingredient but also for cleaning and cooling manufacturing equipment. To conserve limited water resources, we implement the "3Rs of Water": reducing consumption (Reduce), using water repeatedly (Reuse), and treating it for repeated usage (Recycle). These efforts support our goal to "reduce water consumption at our owned plants worldwide by 35%"\*

At the Suntory Minami Alps Hakushu Water Plant, we conduct a variety of initiatives under the 3R framework. Notably, through advanced cascade (multi-stage) water recycling, we have achieved industry-leading levels in water use efficiency per production unit. In February 2025, the Plant received the highest "Platinum" certification from the Alliance for Water Stewardship (AWS).

\* Reduction water intensity based on the business fields in 2015



The Suntory Minami Alps Hakushu Water Plant

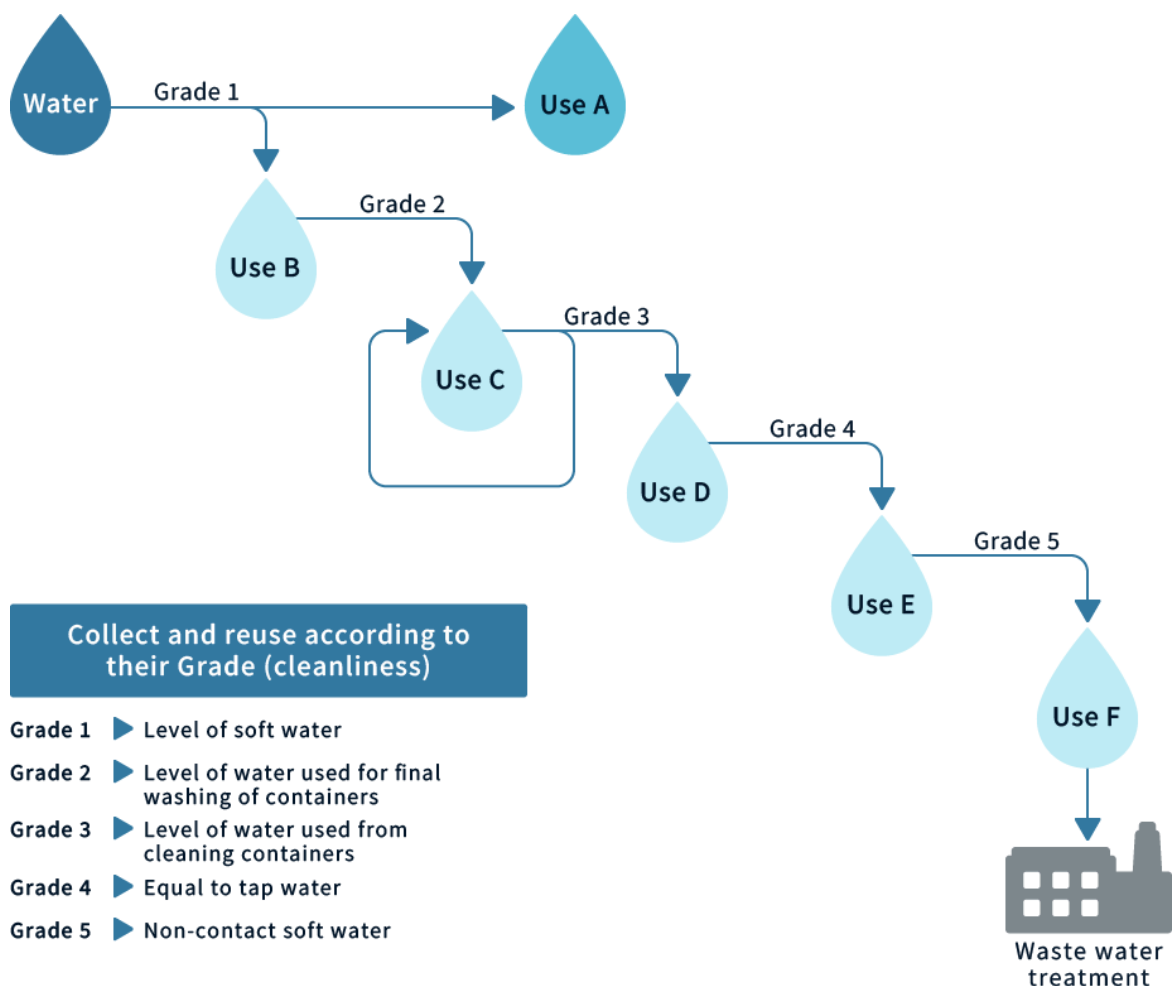


Reuse of water recycled at each stage of cleaning stored in 200-ton tanks

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

### Water Cascade Recycling Process

This technology involves classifying the water used in the manufacturing process (groundwater, river and lake water, rainwater, tap water, and externally supplied water (recycled water)) into five grades based on cleanliness such as cooling and cleaning. The water is then progressively reused from applications requiring higher grades to those that can be satisfied with lower grades.



### Strict Wastewater Management

Suntory Group established voluntary standards for wastewater that are equal to or stricter than the legal requirements to ensure that wastewater is returned to nature in a state as close to natural as possible. Wastewater from our plants is first purified using anaerobic wastewater treatment facilities\* and other equipment before it is released into sewage systems or rivers. To maintain these standards, we conduct continuous monitoring with measuring devices and daily water quality inspections by personnel.

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



24-hour wastewater management system

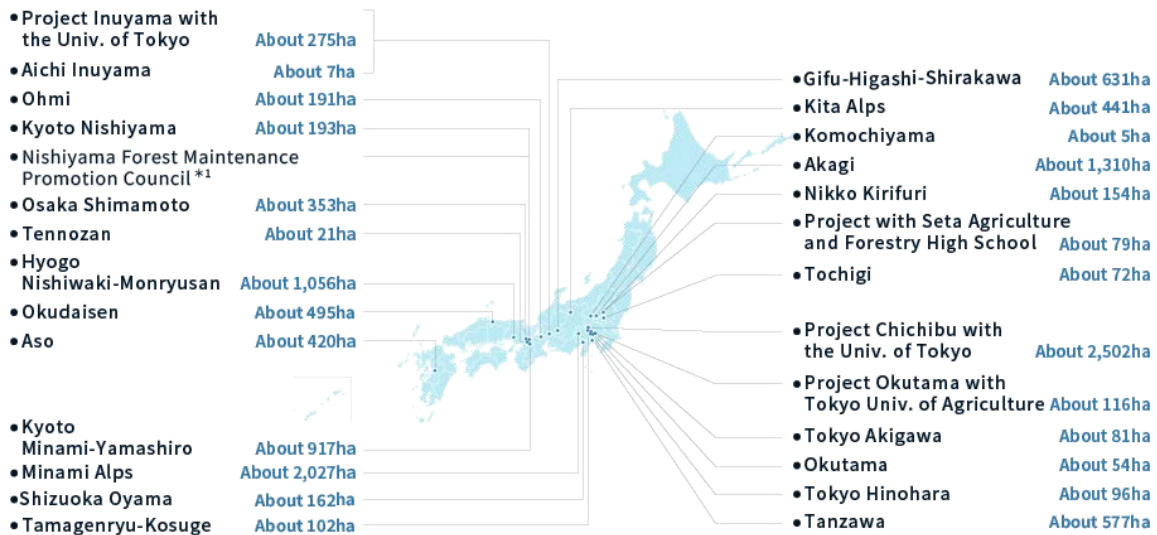
## Initiatives at the Water Source

### Suntory Natural Water Sanctuary (Water Resource Cultivation/ Restoring Biodiversity)

In 2003, Suntory Group launched the Natural Water Sanctuary Initiative aimed at enhancing water source recharge capabilities and preserving biodiversity. The initiative has now expanded to over 12,000 hectares in 26 locations in 16 prefectures across Japan, and is replenishing twice the volume of groundwater extracted by our owned plants in Japan. As we advance these efforts, we collaborate with leading researchers from various fields to ensure that our activities are scientifically grounded and sustainable for the next 100 years and beyond.

## Suntory Natural Water Sanctuary

26 areas nationwide Around **12,000ha** (As of July 2025)



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

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

## Water Initiatives Worldwide

Suntory Group practices coexistence with nature in all regions where we conduct business worldwide. We will continue to engage in various initiatives as we strive to be a global leader in water sustainability.

### United States of America

To protect the precious natural resource of "water," we have been actively involved in conserving water sources around our bourbon distilleries and enhancing the biodiversity of forests. The Maker's Mark Water Sanctuary Project that began in 2016 planted American white oak trees on 33 acres of Maker's Mark distillery land (approx. 13 hectares) as a water resource cultivation effort. In 2018, we set up a Natural Water Sanctuary within the 15,625-acre (approx. 6,300 hectares) Bernheim Arboretum and Research Forest, the water source for the Jim Beam Distillery, and initiated additional environmental conservation efforts.

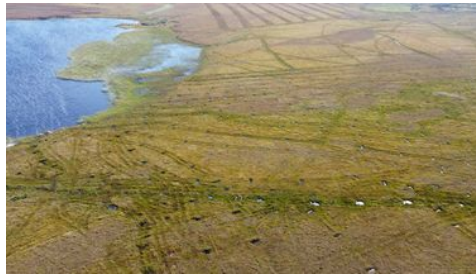


### Mexico

In collaboration with major tequila brand manufacturers, we launched a watershed stewardship project in 2010 aimed at promoting conservation activities to protect water source environments. This initiative focuses on restoring the ecological connections between the wetlands and forests in the Santiago River basin, located in the Cerro Viejo Reserve, which have been disrupted by a highway constructed in the surrounding area.

### Scotland

In Scotland, we initiated the "Peatland Water Sanctuary" peatland and water source conservation activities in 2021. We plan to invest more than \$4 million in the restoration and conservation of 1,300 hectares of peatlands by 2030. Furthermore, we aim to restore peatland areas capable of producing twice the amount of peat used by Suntory Group by 2040. Through this initiative, we aim to contribute to water quality improvement, enhanced water retention, and biodiversity conservation. Additionally, because peatlands have the capability to store carbon, they also help in reducing GHG emissions.



## France

In France, we established a 20-year partnership for the conservation of water resources in 2017 with Grand Parc Miribel Jonage, a nature park located next to the Meyzieu Plant. Together with the local community, we are actively involved in preserving the park's expansive forests, supporting children's educational programs, and undertaking initiatives to protect and nurture the water and natural environment in the area surrounding the Plant.



## Spain

In collaboration with local communities, we have been engaged in ecosystem protection efforts aimed at restoring the Júcar River and its surrounding ecosystems near our plant in Carcaixent. Additionally, we are conducting hydrological studies with local universities and specialist institutions focusing on water conservation activities in the Tagus River watershed, centered around the Guajaraz Reservoir, which serves as the water source for the Toledo Plant.

In addition, Suntory Beverage & Food Spain, a subsidiary of Suntory Beverage & Food Limited, concluded an agreement on water source conservation activities with the city of Layos, Toledo, Spain. Beginning in January 2024, with help from local residents as well as experts and researchers in various fields, we initiated "Guardians del Tajo" (Guardians of the Tagus River) activities around the Guajaraz reservoir and the upper reaches of the reservoir, with the aim of improving water quality and biodiversity.

## Vietnam

Since 2015, we have been supporting the renovation and installation of restrooms and washrooms in the main schools where Suntory Mizuiku is conducted, contributing to the improvement of sanitary conditions.

## Thailand

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

## India

In the Gurugram region of northern India, widespread flooding due to heavy rainfall occurs while rapid urbanization and industrial development have led to infrastructure shortages and depletion of natural water sources, causing many residents to face water shortages. Suntory Group implemented a pond restoration project in 2024 to supply agricultural and household water in the Gurugram area. This project restored the degraded pond to improve water supply, enhance water quality, treat wastewater, capture rainwater, and restore biodiversity, significantly increasing groundwater recharge levels. Additionally, a public park was established for residents to enjoy exercise and play, improving the living standards of local farmers and residents and strengthening the community's economic resilience.

➤ **For more information on community engagement , please see [Identifying and Resolving Watershed Issues, and Community Engagement](#).**



## Raw Ingredient Production-related Initiatives

Regenerative agriculture is attracting attention for its potential to mitigate and adapt to climate change by reducing GHG emissions through reduced use of chemical fertilizers and pesticides, as well as restoration of soil biodiversity which boosts soil fertility and effective water use. Suntory Group is working to improve the efficiency of water use in production areas through regenerative agriculture, focusing on key raw ingredients (coffee beans, barley, and grapes) that are produced in areas with high water footprints and significant water stress and are important to profitability.

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

## Initiatives for Water Education

### Suntory Mizuiku - Education Program for Nature and Water

Suntory “Mizuiku”<sup>\*</sup> — education program for nature and water started in 2004 in Japan. The program is unique to Suntory Group and designed to help children appreciate the wonders of nature, recognize the importance of water and forests that nurture it, and think about each of them can do to pass on water to future generations. Mizuiku is currently offered in 9 countries worldwide, with cumulative participants exceeding 1,190,000 as of 2024.

<sup>\*</sup> Mizuiku is a registered trademark of Suntory Holdings Limited.

<sup>\*</sup> Sponsor: Ministry of the Environment, Ministry of Education, Culture, Sports, Science and Technology, etc.



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

## Community Engagement

At Suntory Group, we recognize our role as a member of watershed communities and aim to contribute to their development by working alongside diverse stakeholders to conserve local water resources. To formulate policies and strategies for Suntory Group as a whole and conduct water risk assessments, the Sustainability Management Division of Suntory Holdings implements annual assessments at each production site, and based on the results, creates regular opportunities with each operating company to monitor progress for the Group overall. At each production site, we work with stakeholders including local government, NGOs, educational institutions, and the local community to address water-related issues in the local watershed.

### Community Engagement Promotion Structure





➤ For more information on community engagement, please see [Identifying and Resolving Watershed Issues, and Community Engagement](#).

## Participation in Initiatives

### International Water Certification by the Alliance for Water Stewardship (AWS)

In 2018, Suntory Group's Suntory Okudaisen Bunanomori Water Plant (Tottori Prefecture) became the first in Japan to receive AWS International Certification, followed by the Suntory Kyushu Kumamoto Plant (Kumamoto Prefecture) in 2019 and the Suntory Minami Alps Hakushu Water Plant (Yamanashi Prefecture) in 2021. The Suntory Kyushu Kumamoto Plant obtained the highest "Platinum" certification in 2023, followed by the Suntory Okudaisen Bunanomori Water Plant and Suntory Minami Alps Hakushu Water Plant in 2025. In addition, as Japan's first corporate member of AWS, Suntory Group has signed onto a partnership with the same organization in February 2021 to raise awareness of water stewardship in Japan, build networks, encourage stakeholder participation, and develop sharable tools. Additionally, in March 2025, 5 Japanese member companies\*, including Suntory, launched a working group called "Japan Water Stewardship Leadership Group (JWS)" to advance efforts to raise Japan's water conservation efforts to global standards.

\* MS&AD Insurance Group Holdings, Inc., Kurita Water Industries Ltd., Coca-Cola (Japan) Company, Limited, and Yachiyo Engineering Co., Ltd.

#### About AWS

AWS is an organization founded by corporations and NGOs, including the World Wide Fund for Nature (WWF) and The Nature Conservancy (TNC), to promote water sustainability on a global scale. AWS has developed certification in sustainable water use for factories around the world, and promotes water conservation and stewardship.

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

### The CEO Water Mandate

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



The CEO Water Mandate

### 30by30 Alliance for Biodiversity

Suntory Group has participated in the 30by30 Alliance for Biodiversity, which aims to halt and reverse biodiversity loss to realize a sustainable society, since April 2022.



### Taskforce on Nature-related Financial Disclosures (TNFD) Forum

Suntory Group joined the Taskforce on Nature-related Financial Disclosures (TNFD)<sup>\*1</sup> Forum in April 2022 to accelerate initiatives that contribute to nature-positive outcomes. We also registered as a TNFD Adopter<sup>\*2</sup> in December 2023.



Taskforce on Nature-related Financial Disclosures

\*1 Abbreviation for Taskforce on Nature-related Financial Disclosures

\*2 TNFD Adopters are companies that have registered on the TNFD website their intention to make disclosures based on TNFD recommendations. Registered companies are required to make disclosures based on fiscal year information for 2024 or 2025.

➤ For more information, see [Disclosures Based on TNFD & TCFD Recommendations](#).

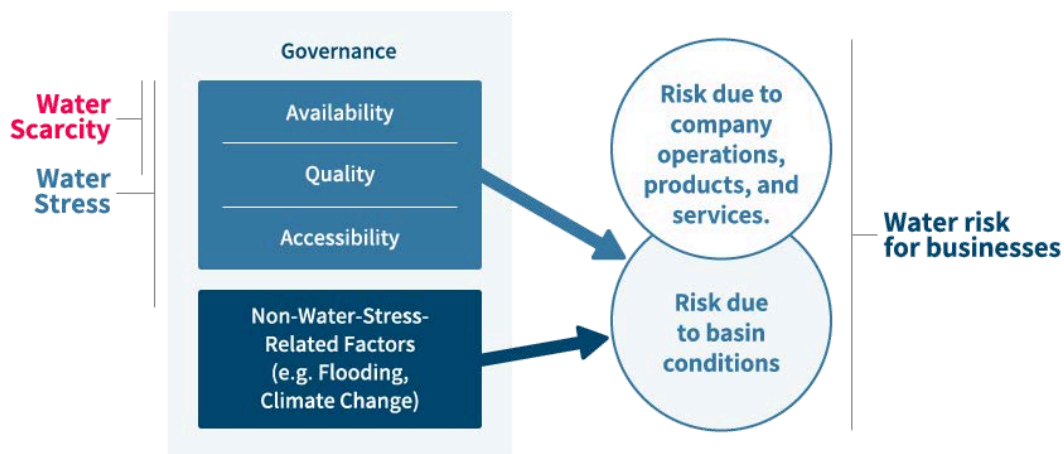
# Water Risk Assessment

Suntory Group has made achieving water security a materiality in the Suntory Group's Environmental Principles and continues to conduct various water-related assessments at Institute for Water Science, which was established in 2003. We conduct water risk assessments to ensure sustainable business operations and leverage the insights to advance environmental management. We also consider water risk assessment when developing new businesses.

## Water Risks in Suntory Group Business Operations

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Water is Suntory Group's most important raw ingredient and a precious shared resource with local communities and ecosystems. Consequently, conducting water risk assessment to understand the impact of our business on local communities and ecosystems is essential for achieving sustainable business growth. Suntory Group has identified our impacts on nature and dependencies on ecosystem services for direct operations in our beverage business, alcoholic beverage business, as well as for other operations, and our upstream value chain, summarizing the pathways. Risks have been listed based on the identified dependency pathway and impact pathway, while the financial impact was evaluated by calculating the expected value of the potential loss and the probability of occurrence. The assessment found that the significant financial impacts from water resources in direct operations are operational shutdowns due to extreme weather such as floods and storm surges, increased costs for quality control and wastewater regulations in cases of water quality deterioration in surrounding areas, and operational shutdowns caused by water shortages due to excessive water withdrawal and increased droughts in surrounding areas (for more information, see [Disclosures based on the TNFD and TCFD Recommendations](#)). Operational shutdowns due to flooding or storm surges pose an acute physical risk, with losses expected to result from flood damage to assets at production sites, the associated response costs, and sales losses. On the other hand, increased costs from water quality deterioration and operational shutdowns due to water shortages are expected to arise from the complex interaction of 2 elements: physical chronic risks and transitional risks. Physical chronic risks include increased droughts due to climate change, unstable water supplies resulting from excessive water withdrawal, and deterioration in water quality caused by changes in flow conditions and wastewater eutrophication. Transition risks may also arise from the complex interplay of factors such as infrastructure development, taxation, and other policies and regulations, as well as population growth and technological influences—all of which could impact wastewater regulations and water procurement costs. These risks are particularly likely to occur in areas of high-water stress and could have a significant impact on business operations. Water stress is defined as the inability to secure sufficient freshwater resources to meet the demands of a community or an ecosystem. This is not only due to an insufficient quantity of freshwater resources, but also from water pollution and limited access to water. When combined with factors other than water stress (for example, floods), the likelihood of exposure to risks from watersheds increases. For these reasons, the Suntory Group has prioritized addressing complex water risks, such as flooding, water shortages, and water pollution, in areas of high water stress where the financial impacts are expected to be substantial.



**Water scarcity** : The volumetric abundance, or lack thereof, of freshwater resources.

**Water stress** : The ability, or lack thereof, to meet human and ecological demand for freshwater. Compared to scarcity, water stress is a more inclusive and broader concept.

**Water risk** : The possibility of an entity experiencing a water-related challenge (e.g., water scarcity, water stress, flooding, infrastructure decay, drought).

Source: September 2014 discussion paper by The CEO Water Mandate: Driving Harmonization of Water-Related Terminology

## Water Risk Assessment for Direct Operations

From a financial impact perspective, we have prioritized Suntory Group production sites\* for direct operations, identifying priority sites with high water risk.

\* Directly operated Suntory Group production sites: 27 factories in Japan, 52 factories outside Japan

### 1. Water Stress Conditions in Countries with Production Sites

We assess the water stress conditions in countries where our production sites are located using Baseline Water Stress, a globally recognized tool developed by the World Resources Institute, to evaluate water stress across countries.

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

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

### 2. Water Risk Assessment for Watersheds of Production Sites

In addition to national-level water stress assessments, we also carry out water risk assessments for the watersheds in which our production sites are located, identifying priority sites for water risk management. The following outlines the assessment process and the progress in risk

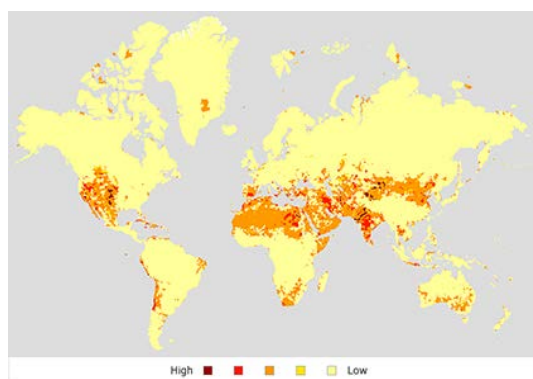
management.

## Identification of Priority Sites

The first round of the assessment narrowed down priority sites based on findings gained from corporate guidance in the Science Based Targets Network (SBTN) validation pilot,\* which Suntory Holdings joined in 2023. First, we analyzed the quantity and quality of available water resources in the watershed to assess the state of nature on which the production site depends. The assessment used several indicators from Aqueduct 4.0 and the Water Risk Filter developed by the World Wide Fund for Nature (WWF). For the assessment of water scarcity risk, we used the 3 indicators: Baseline Water Stress, Water Depletion, and Blue Water Scarcity, assessing the highest score as the risk score. In areas where these indicators show high scores, there is likely to be insufficient water resources to meet demand. We assessed water quality using the 3 indicators: Coastal Eutrophication Potential, Nitrate-Nitrite Concentration, and Periphyton Growth Potential, assessing the highest score as the risk score. Higher scores for each index indicate greater exposure to eutrophication. Furthermore, to assess the impact of our operations at production sites on watersheds, we normalized the values of water withdrawal and water pollutants contained in wastewater (weight equivalents of nitrogen and phosphorus) and compiled a list for each site. However, assessment of water pollutants was limited to facilities that discharge wastewater directly into rivers and, excluded facilities that discharge wastewater via sewer systems. Next, to identify sites at high risk in terms of both dependencies and impacts on state of nature, we multiplied the normalized water scarcity risk score by the normalized water withdrawal score and multiplied the normalized score for water quality by the normalized score for water pollutants, then identified priority sites that were located within the top 10 watersheds ranked by their score, taking into account their business importance. Of the identified sites, based on an assessment using the Integrated Biodiversity Assessment Tool (IBAT) and multiple biodiversity indicators, we identified sites located within a 20km radius of a protected area or key biodiversity area and are expected to have a relatively high level of biodiversity vulnerability or restoration difficulty.

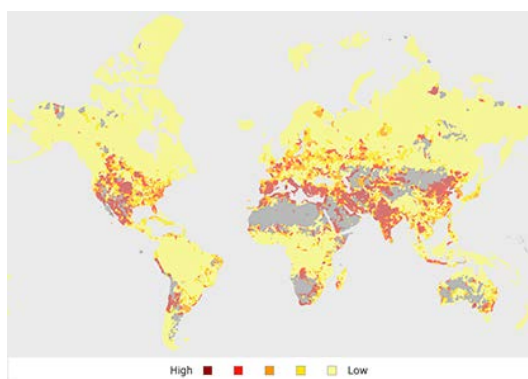
\* Corporate guidance pilot study to verify methodology for setting SBTs for the Science Based Targets Network

Water Depletion of Water Risk Filter (5 Levels)



Source: WWF

2050 Water Stress BAU\* Scenario Risk Assessment by Aqueduct (5 Levels)




Source: Based on the World Resources Institute's Water Risk Filter  
\*BAU: Business As Usual

## Number of High Priority Sites

Number of High Priority Sites	Beverage business	Alcoholic beverage	business Other
Number of locations with high water-resource dependency and impact risk	9	4	-
Of these, locations with a large effect on biodiversity	3	3	-
Number of locations with high water-quality dependency and impact risk	-	15	3
Of these, locations with a large effect on biodiversity	-	-	-

## Assessing Water Shortage Risks using Water Security Compass, an Online Platform for Global Water Risk Assessment

Suntory Holdings, in collaboration with the Graduate School of Engineering at the UTokyo and Nippon Koei Co., Ltd., a subsidiary of ID&E Holdings Co., Ltd., has established 'the Research Initiative for Global Hydrologic Cycles project' at the UTokyo. Through this initiative, the partners have jointly developed an online platform called 'Water Security Compass,' which enables long-term, use-specific assessment of water scarcity risks based on water supply and demand. The platform has been made publicly available free of charge since the summer of 2024. (See <https://water-sc.diasjp.net/> )

The Research Initiative for Global Hydrologic Cycles project was established in 2022 to combine the knowledge of companies and universities, promoting research and development, social implementation of developed technologies, and human resource development. This is an industry-academia collaboration framework involving the UTokyo, Suntory Holdings, and Nippon Koei.

Developed through this project, the Water Security Compass utilizes H08, developed by UTokyo and others, which consolidates recent breakthroughs in the fields of hydrology and geophysics, and simulate the global water cycle. By incorporating the impact of seasonal changes and the effects of dams and other infrastructure on water quantity into simulations, the Water Security Compass is an online platform which provides a picture in a rarely high resolution of how much water is needed and supplied for various locations around the world, and can visualize the extent to which water resources will be in short supply for different uses, both in the present and for the future.

One of Water Security Compass' indicators, Cumulative Deficit to Demand (CDTD), was used to assess water scarcity risk for locations with high water-resource dependency and impact risk. CDTD is an indicator that assesses the percentage of a watershed's water resources that are in short supply relative to water demand. The indicator showed that 3 priority sites in the beverage business and 1 priority site in the alcoholic beverage business have the potential for a 20–40% shortfall in water resources relative to water demand during certain seasons of the year. In these areas, it is highly likely that there will be water withdrawal and water supply restrictions for the plant's water resources.

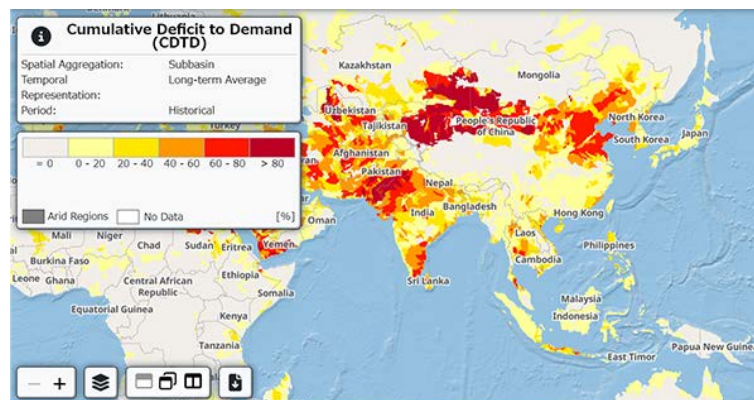


Figure: Screenshot from a Water Security Compass simulation

The Cumulative Deficit to Demand (CDTD) indicator makes it possible to identify areas where water shortages are likely to occur.

### ● Organizations Participating in the Global Water Cycle Social Cooperation Program

- The University of Tokyo, Graduate School of Engineering, Department of Civil Engineering
- Suntory Holdings Limited
- Suntory Global Innovation Center Limited's Institute for Water Science
- Nippon Koei Co., Ltd., Central Research Center, Center for Advanced Research

## 3. Risk Reduction Efforts at Priority Sites

As part of our efforts to reduce risk at identified priority sites, we regularly evaluate the level of actions taken and confirm progress for water management (water withdrawal and water-saving) at our production sites and water replenishment and conservation efforts in coexistence with communities. Since the condition of the water resources in each watershed is different, we have measures in place to reduce the risks associated with local conditions.

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

As water is a precious resource shared with the community and the ecosystem, our plants must manage water responsibly and appropriately. Water sources for our plants are broadly divided into 2 categories: city water and natural water (surface water or groundwater). Generally, city water is shared among various users in the local area, so the water source area is wide, and the entity responsible for managing water withdrawal from water sources is the local water authority. Water conservation management needs to be implemented appropriately in accordance with the water supply management policies and plans of the local water authority, including climate change adaptability plans. On the other hand, when a plant uses natural water (surface water or groundwater), we are the responsible entity for managing intake via the plant's intake gate and need to proactively promote water intake and water conservation management efforts to adapt to environmental changes such as climate change.

Based on the above points, we have assessed the level of actions to manage water withdrawal and water-saving at each site. The following 2 items were evaluated:

(1) Water Withdrawal Management

Demonstrating appropriate water withdrawal management (ensuring water is not excessively withdrawn)

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

<Assessment Criteria>

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

Required water withdrawal data is not collected

→ Red

Part of the required water withdrawal data is not collected

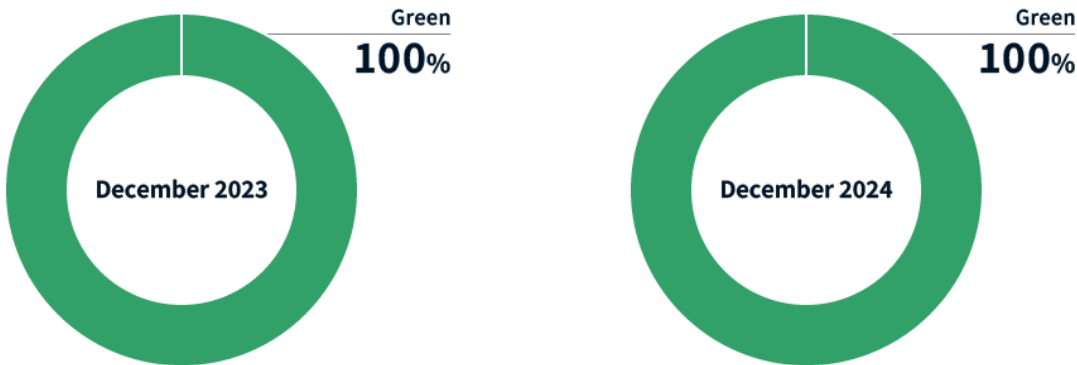
→ Yellow

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

→ Green

<Assessment Results>

The following shows the water withdrawal management level of each plant represented as a pie chart. The percentage of Green-rated plants for water intake management remained at 100% in December 2024, the same as for December 2023.



(2) Water Conservation Management

Demonstrating effective water conservation management (avoiding wasteful use of water)



<Assessment Criteria>

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

No med-term target for water intensity

→

Red

No yearly target for water intensity or not achieved

→

Yellow

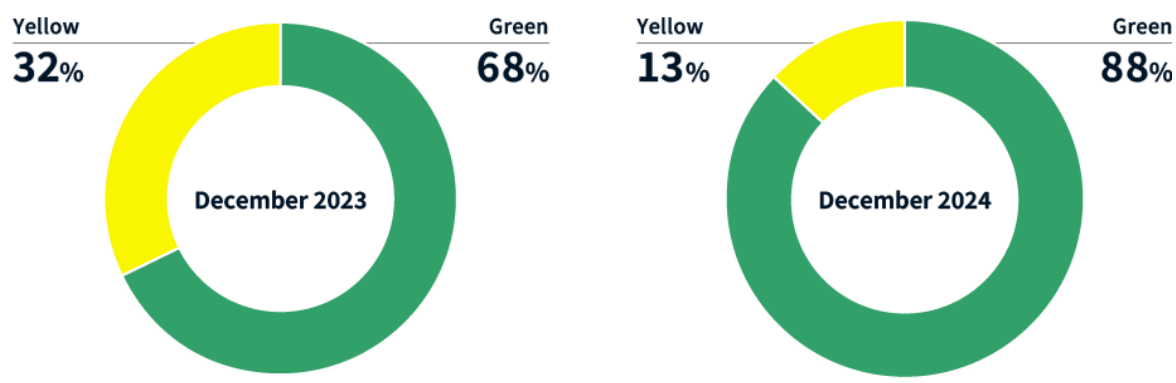
The yearly target for water intensity has achieved

→

Green

<Assessment Results>

The following shows the water-conservation management level of each plant. As a result of setting a medium-term target and conducting water-conservation measures to achieve the yearly target, the percentage of plants that have the water-conservation management level of Green increased from 68% (December 2023) to 88% (December 2024).



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

b. Water Resource Replenishment and Conservation in Coexistence with the Local Community

Suntory Holdings recognizes that we are a member of the watershed society since we share the use of water resources with the community. We therefore seek to contribute to its development by replenishing and conserving water resources in the watershed by working hand-in-hand with the various stakeholders.

Specifically, following the roadmap for water source replenishment efforts in the Environmental Targets toward 2030, in cooperation with local stakeholders, we are identifying water-related issues in the watersheds where our plants are located. With the agreement of major stakeholders, we are gradually implementing water resource conservation initiatives that will help resolve these issues.

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

<Assessment Criteria>

- Identifying water issues in the watershed to ensure water sustainability.
- Working with local stakeholders to implement measures that contribute to resolving water issues.

Water-related issues in the watershed are not identified

→

Red

Water-related issues in the watershed are identified

→

Yellow

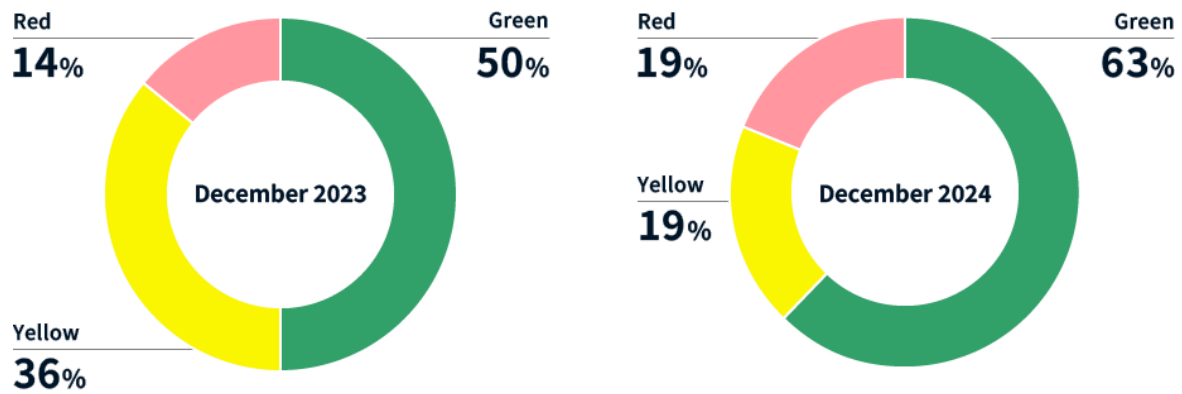
Working with the community to resolve water-related issues in the watershed

→

Green

<Assessment Results>

The following shows the progress in water resource conservation efforts for each site through collaborative activities in the watershed. As a result of steady efforts at each plant, the proportion of plants reaching the level of Green was 63% in December 2024.



In each area, we identify water-related issues and progress water source conservation efforts with experts such as university professors. In Mexico, tequila maker Casa Sauza is a partner in the Charco Bendito project for water replenishment activities. This watershed initiative is a collaboration with the Beverage Industry Environmental Roundtable (BIER) and 13 other manufacturing companies working together to restore ecology and forests in the Lerma-Santiago River watershed through reforestation, soil conservation, and aquifer recharge activities. This connectivity was fragmented by a highway built in the area. This project collaborates with local communities to provide drinking water to local residents who lack access to water. It also supports local sustainable agriculture and forestry employment through beekeeping and honey production, and protects important community heritage areas.

In the Gurugram region of northern India, widespread flooding due to heavy rainfall occurs while rapid urbanization and industrial development have led to infrastructure shortages and depletion of natural water sources, causing many residents to face water shortages. Suntory Group implemented a pond restoration project in 2024 to supply agricultural and household water in the Gurugram area. This project restored the degraded pond to improve water supply, enhance water quality, treat wastewater, capture rainwater, and restore biodiversity, significantly increasing groundwater recharge levels. Additionally, a public park was established for residents to enjoy exercise and play, improving the living standards of local farmers and residents and strengthening the community's economic resilience.

Since 2021, the Toledo Plant in Spain has also been carrying out a project called the Guardians del Tajo to enhance water quantity and quality and increase biodiversity in the Guajaraz Reservoir in the Tajo River watershed. Working with a local NGO for ecological and hydrological surveys, we signed an agreement with the city council of Layos (Toledo Province) in November 2023 to reforest approximately 2 hectares of municipal forest. Activities under the agreement include reforestation and greening of land adjacent to the right bank of the Layos River from 2023 to 2025, with the aim of increasing biodiversity in the area, as well as fixing and fertilizing the soil to prevent erosion processes, reducing pollution diffusion, enhancing water infiltration capacity, and capturing atmospheric CO<sub>2</sub>. Furthermore, to assess the future impacts of climate change on the Guajaraz Reservoir, which serves as the plant's water source, we are developing a simulation model and conducting an analysis in collaboration with a hydrological research team from the University of Alcala. In this research, we assessed the impacts of climate change on the Guajaraz Reservoir using a hydrological model called SWAT+. Of the climate change scenarios based on future projections of greenhouse gas concentrations by the Intergovernmental Panel on Climate Change (IPCC), we made future projections using RCP 8.5, which has the highest greenhouse gas emissions. We are now estimating how much the amount of water flowing into the reservoir from rivers upstream will decrease by the end of the 21st century.

In Thailand, we are conducting joint research with Chiang Mai University. We are conducting research on the water balance of the entire watershed, including Pasak Jolasid Dam, which is the water source for our Saraburi Plant, and how to encourage local engagement. Additionally, we are analyzing how groundwater flows and identifying which areas would most benefit from activities to enhance groundwater recharge. Based on the knowledge gained, we plan to decide on what initiatives to implement in which areas at Pasak Jolasid Dam and the entire Pasak watershed. We will continue to follow the roadmap toward 2030 to protect and develop water resources and steadily conduct water resource conservation activities.

In addition, we have extended our Mizuiku - education program for nature and water to 1.19 million people in 8 countries, conveying the importance of protecting water resources mainly to local children so they can take that knowledge into the future.

**Other initiatives to protect water resources**

> Suntory Natural Water Sanctuary

> Suntory Mizuiku - Education Program for Nature and Water for the Next Generation

> AWS Certification

# Natural Water Sanctuary (Water Resource Cultivation/ Preserving Biodiversity)

## Natural Water Sanctuary Initiative -- For the Future of Water and Life

Suntory is a "water" company.

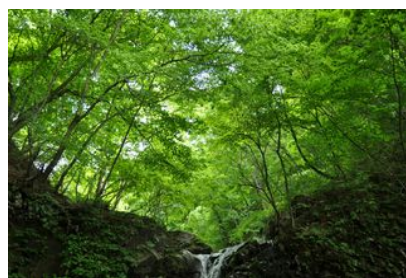
Without high quality water, we are unable to produce any beer, soft drinks, or whisky.

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

This precious groundwater is nurtured in the forest.

To ensure the safety, security and sustainability of groundwater, we are cultivating water resources that are more than twice the amount of water withdrawn by our plants. This is achieved by fostering water resource recharge in the forest areas surrounding our plants. We identify these water source recharge areas through our Institute for Water Science, and establish mid-to-long-term agreements with local governments and forest owners for forest management, designating these areas as Suntory Natural Water Sanctuaries.

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

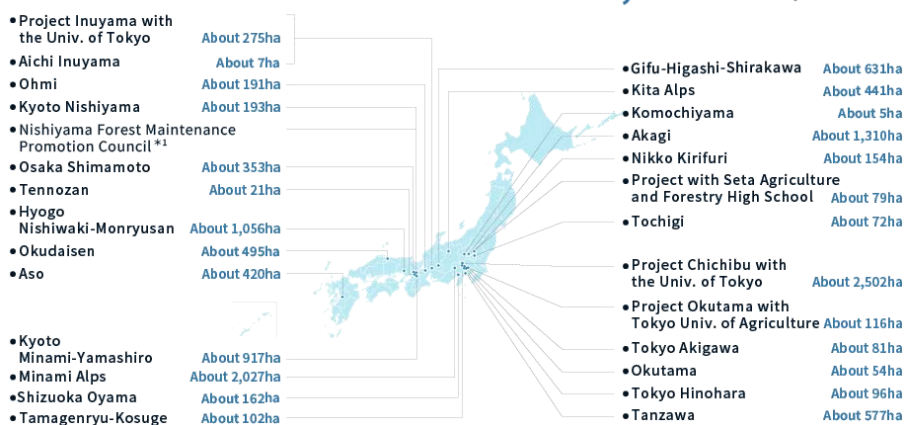


### <Natural Water Sanctuary> Development Targets

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

### Suntory Natural Water Sanctuary

**26** areas nationwide Around **12,000ha** (As of July 2025)



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

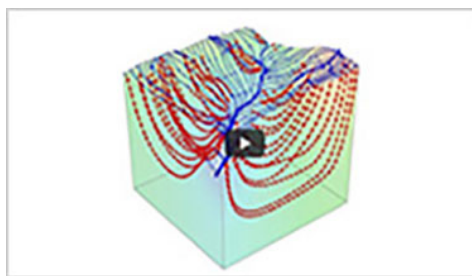
➤ [For more information, see Suntory Natural Water Sanctuary.](#) [🔗](#)

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

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



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



GETFLOWS for groundwater circulation simulations

➤ [Video: Groundwater circulation simulation model with GETFLOWS](#) [🔗](#)

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

All forests are different. Understanding the unique characteristics and challenges of each Natural Water Sanctuary is crucial.

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

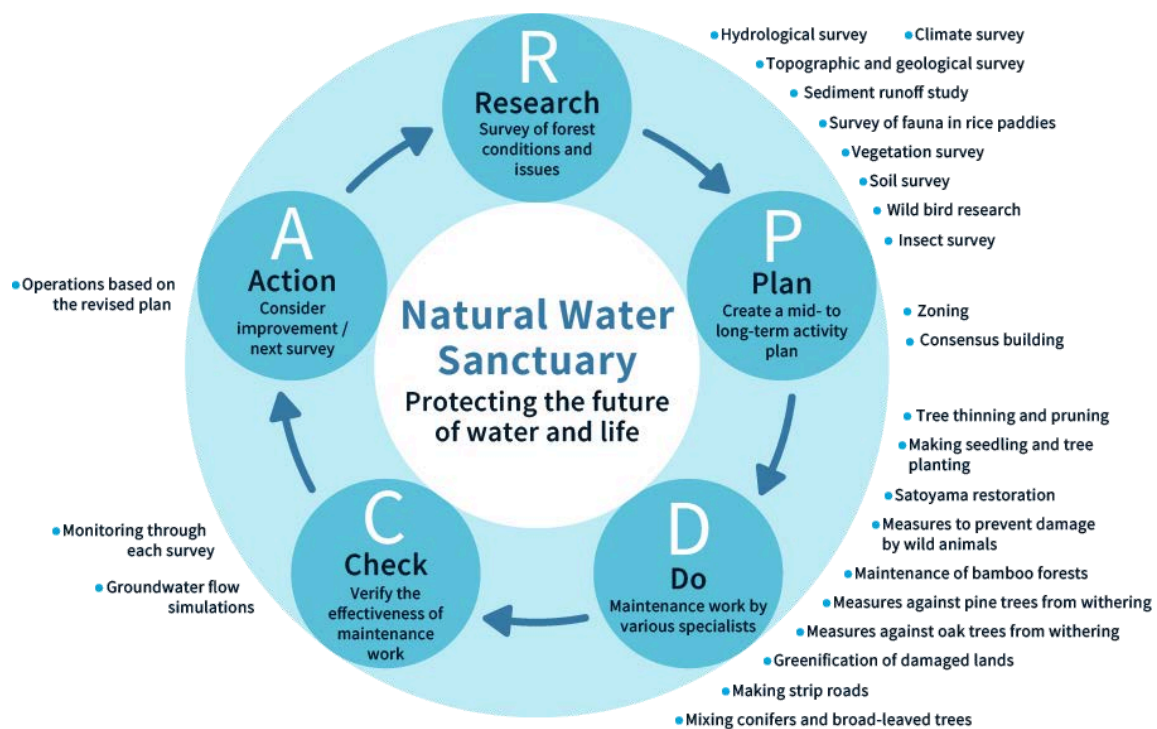
The areas and fields of investigation and research targeted by the Natural Water Sanctuary Initiative are diverse and linked organically. For instance, in recent years, deer grazing pressure has become a significant issue, leading to soil erosion in some areas as surface plants are exhausted, impacting ecosystems and water recharge functions. Public-private partnerships are essential for addressing such widespread issues, so we are working alongside local communities and relevant organizations.

In doing so, cooperation based on the knowledge and skills of experts in various fields and of people in local communities are indispensable.

The Sanctuaries also serve as a field for next-generation environmental education through Suntory Mizuiku - Education Program for Nature and Water, which emphasizes the importance of forests that nurture groundwater, and for Suntory employees to experience forest maintenance firsthand.

Suntory continues the implementation of Natural Water Sanctuary Initiative in order to provide the invaluable gifts of nature to our children, grandchildren, and future generations by humbly listening to various related issues and working together with local communities.

➤ [For more information, see Activities Policy and Systems \(in Japanese\)](#) [🔗](#)



## A Healthy Forest is One Full of Life – Protecting Biodiversity

If there are many different types of plants in a forest, there will be an increase in the types of small animals that eat them, resulting in attracting animals that eat those small animals. In a healthy environment like this, a pyramid formed by various organisms is completed. In Natural Water Sanctuaries, we conduct planned management through continuous ecosystem monitoring of birds, plants, insects, and other creatures. In January 2011, we also became a Pledge Partner for Japan Business Federation's Biodiversity Declaration. In 2024, we participated in Sites Coexisting with Nature, led by the Ministry of the Environment, taking the lead for actions that will help create a society rich in biodiversity.

### Suntory Natural Water Sanctuary Biodiversity Restoration Report

In 2022, we published the Suntory Natural Water Sanctuary Biodiversity Restoration Report. This report consists of 2 sections, a "Facts & Data" section that summarizes various issues facing Japanese forests and an "Actions" section which provides simple explanations and examples of activities to address these issues in "Suntory Natural Water Sanctuary."

#### > Suntory Natural Water Sanctuary Biodiversity Restoration Report



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



Suntory Natural Water Sanctuary Biodiversity Restoration Report

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



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

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



Eagles/Hawks Rearing Support Project

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

➤ [Video: Eagles/Hawks Rearing Support Project \(in Japanese\)](#) [🔗](#)

## Becoming More Familiar with Natural Water Sanctuaries

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

➤ [For more information, see Ikurinzaï – Timber from Cultivated Forests \(in Japanese\)](#) [🔗](#)

### Case Examples of Timber Utilization Inside and Outside the Company



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



All table tops at PRONTO mbs Tamachi shop.



Town Hall Chair in Mashiki Town, Kumamoto Prefecture

➤ [Video: Ikurinzaï – Timber from Cultivated Forests Project \(in Japanese\)](#) [🔗](#)

### Natural Water Sanctuary Forum

Based on the goal of "Creating Forests Which Nurture Water and Life," specialists in a variety of fields who provide coaching and collaborate in Natural Water Sanctuary Initiative are invited to the forum which serves as an opportunity to share the newest expertise and policies for future activities. The forum was held 9 times in total from 2011 to 2019.



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

### Training Program for Employees

We are advancing employee forestry volunteer activity at our Suntory Natural Water Sanctuaries. Up until 2013, many employees and their families joined these activities as volunteers.

Since 2014, the program has evolved into a forest maintenance experience aimed at helping each employee personally understand and



embody Suntory Group's corporate philosophy. More than 12,000 employees in alcoholic and non-alcoholic businesses have participated so far. This training is currently included in the onboarding program for new employee.



Employees planting trees



Employees pruning trees at a Natural Water Sanctuary

## Participation in "30by30 Alliance for Biodiversity" in Japan

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In April 2022, the Suntory Group joined the 30by30 Alliance for Biodiversity, which aims to halt and reverse biodiversity loss to realize a sustainable society. Through this Alliance, we are helping to achieve international goals by obtaining certification for Suntory Natural Water Sanctuaries as OECMs.\*

As of April 2025, 6 Suntory Natural Water Sanctuaries are certified as "Sites Coexisting with Nature" promoted by the Ministry of the Environment to achieve the "30by30" goal.

\* Other Effective Area-based Conservation Measures. Areas where the private sector and others undertake conservation efforts or where management not aimed at conservation also results in contribution to the protection of the natural environment.

### About the 30by30 Alliance for Biodiversity

The alliance is formed as a voluntary coalition of local governments, companies, and NPOs to conserve or protect at least 30% of Japan's land and sea areas by 2030 to halt loss and restore biodiversity.



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

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

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Suntory Holdings Ltd. established the Wisdom of Water (Suntory) Corporate Sponsored Research Program Organization for Interdisciplinary Research Project at the University of Tokyo in April 2008, conducting this research program for 5 years. The initiative aimed to enhance societal interest in water, thereby promoting solutions to water issues and the creation of rich aquatic environments. It also sought to contribute to the development of researchers in the academic field by leveraging the expertise of both organizations in various activities.

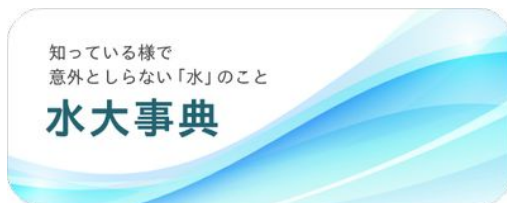
- For more information, see the [Wisdom of Water \(Suntory\) Corporate Sponsored Research Program Organization for Interdisciplinary Research Projects at the University of Tokyo](#) 



"Water Map of Japan"



"Water Drill" educational contents for elementary students



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

- ["Water Drill" educational contents for elementary students \(in Japanese\)](#)
- [Scientific Study of Forests and Water \(in Japanese\)](#)
- [The Frontlines of "Wisdom of Water" \(in Japanese\)](#)

## Official Partnership for National Parks

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Suntory Group has concluded the "Official Partnership for National Parks" with the Ministry of the Environment in 2016.

The Official Partnership for National Parks aims to promote the appeal of Japan's national parks globally and increase the number of domestic and international visitors. The aim of attracting more visitors both from Japan and overseas is to deepen people's understanding of conserving the natural environment and revitalize the areas where the national parks are located.

We will continue to promote the wonders of the national park along with our Natural Water Sanctuary Initiative.



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# Suntory Mizuiku - Education Program for Nature and Water

Suntory Group is supported by the bounty of water and nature, and we engage in environmental activities to preserve beautiful water for the future, including Natural Water Sanctuary initiatives to protect the forests where water is nurtured. One of these activities is Suntory “Mizuiku”\* — education program for nature and water, a next-generation environmental education program launched in 2004.

Mizuiku is a program unique to Suntory that helps children experience the wonder of nature, become aware of the importance of water and the forests nurturing it, and consider what they can do to pass on water to future generations. The program marked its 20th anniversary in 2024.

The program is deployed in Japan and, in collaboration with local NGOs and other organizations, in eight other countries. As of the end of 2024, the cumulative number of participants exceeded 1,190,000.

\* Mizuiku is a registered trademark of Suntory Holdings Limited.  
Sponsor: Ministry of the Environment, Ministry of Education, Culture, Sports, Science and Technology, etc.

## Suntory Mizuiku Expanding in 9 Countries



## Suntory Group’s efforts to spread Mizuiku

2004	Launched Outdoor School of Forest and Water at Aso (Kumamoto Prefecture)
2005	Launched Outdoor School of Forest and Water at Hakushu (Yamanashi Prefecture)
2006	Kicked off the Teaching Program at Schools
2008	Launched Outdoor School of Forest and Water at Okudaisen (Tottori Prefecture)
2014	Established Suntory Environmental Vision toward 2050
2015	Launched Mizuiku program in Vietnam (first Mizuiku program overseas)

<b>2019</b>	Launched Mizuiku program in Thailand
<b>2020</b>	Developed online content for Mizuiku programs in Japan Launched Mizuiku program in France
<b>2021</b>	Launched Mizuiku program in China
<b>2022</b>	Launched Mizuiku program in Spain Concluded comprehensive collaboration agreement with Vietnam's Ministry of Education and Training
<b>2023</b>	Launched Outdoor School of Forest and Water at Kita Alps (Nagano Prefecture) Launched Mizuiku programs in the UK and New Zealand
<b>2024</b>	Hosted the special project Mizuiku Program for Adults to mark the Mizuiku program's 20th anniversary
<b>2025</b>	Launched Mizuiku program in Australia

## Japan

Mizuiku in Japan is centered on two programs: the Outdoor School of Forest and Water, offering shared hands-on nature experiences for parents and children, and the Teaching Program at Schools for elementary schools. In Japan, we have steadily expanded activities by deepening curriculum, expanding its coverage, and developing online content.

Mizuiku received the Ministry of Education, Culture, Sports, Science and Technology's Excellent Company Taiken Award (Jury Award for Excellence for Companies Promoting Youth Experiential Activities) in fiscal 2024.



### Outdoor School of Forest and Water

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



Outdoor School of Forest and Water

### Teaching Program at Schools

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





Teaching Program at Schools

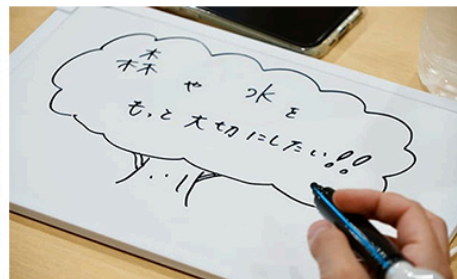
➤ [Suntory Mizuiku — Education Program for Nature and Water website \(in Japanese\)](#) 🌐

### Special Project - Mizuiku Program for Adults

First established in 2004, the Mizuiku program celebrated its 20th anniversary in 2024. With "20 years" as the keyword, we hosted a Mizuiku program for adults in August 2024 as a special 20th anniversary project. The program targeted people in their 20s and 30s who were elementary school students 20 years ago.

Approximately 100 people were selected from the many applicants to take part in the program, which was hosted at the four water source locations of Suntory Tennensui (Mineral Water): Hakushu, Kita Alps, Okudaisen, and Aso.

Participants had the opportunity to visit a forest where water is nurtured, toured a Suntory Tennensui factory, and participated in a workshop where they thought about the promises they would make to themselves 20 years from now. Through these experiences, they were able to reflect on the past, present, and future, and use their five senses to think about what they can do to pass on water to future generations.



## Vietnam

We have offered the Mizuiku program in Vietnam since March 2015.

As the first country outside of Japan to launch the Mizuiku program, "Mizuiku - I love clean water" program has been implemented in Vietnam for 10 years. In 2023, the program expanded it nationwide through a partnership with the Ministry of Education and Training. Through lessons at elementary schools and forest experiences in the field, we teach elementary school students about the importance of water and sanitation along with the critical nature of water source conservation. We also support the renovation of toilets and hand-washing facilities at elementary schools, helping to improve the sanitation environment for children in the country.



[Mizuiku Vietnam website](#)

## Thailand

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

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



## France

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

Suntory Beverage & Food France currently collaborates with a local NGO to provide Mizuiku program in website so that elementary school teachers can make access to it and implement Mizuiku classes.



[Workshop-based water education program in France](#)

## China

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





## Spain

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We have offered the Mizuiku program in Spain since May 2022. With support from local environmental experts, we are offering an educational program at elementary schools in the province of Toledo. The field component of the program is carried out in the natural environment in the vicinity of Toledo, where our factory is located. The program teaches children the importance of water, such as by deepening their understanding of the natural water cycle and how it relates to their daily lives, how to use water responsibly, and the relationship between water and biodiversity, as well as provides training and ideas on how to preserve and improve the quality and quantity of water in the future.



## United Kingdom

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



## New Zealand

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



## Australia

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In July 2025, we launched the Mizuiku program in Australia. Partnering with a local NPO, we support environmental activity projects at elementary schools, and provide programs that teach basic knowledge about water, such as the water cycle, and expose students to indigenous culture. These programs teach students about the importance of water, water source conservation, and watershed culture.

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# Achieving the AWS Certification for Water Stewardship

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

Suntory Group achieved the first AWS International Certification in Japan for the Suntory Okudaisen Bunanomori Water Plant (Tottori Prefecture) in 2018, followed by the Suntory Kyushu Kumamoto Plant (Kumamoto Prefecture) in 2019, and the Suntory Minami Alps Hakushu Water Plant (Yamanashi Prefecture) in 2021. In 2023, the Kyushu Kumamoto Plant achieved "Platinum" certification, the highest AWS certification level. Additionally, in 2025, both the Okudaisen Bunanomori Water Plant and the Minami Alps Hakushu Water Plant also achieved the "Platinum" certification.

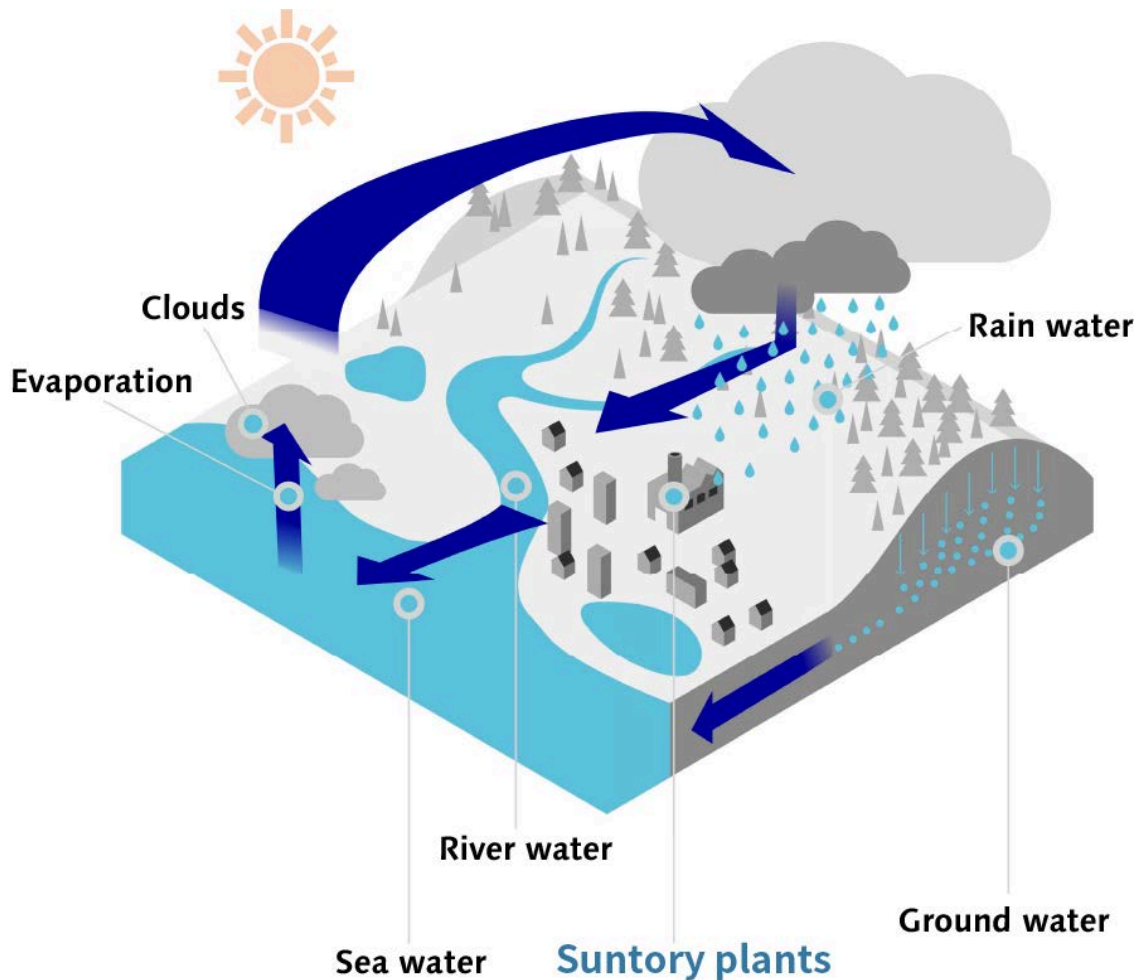
This page introduces its significance.



Harumichi Seta  
Senior General Manager, Sustainability Management  
Division  
Suntory Holdings Limited

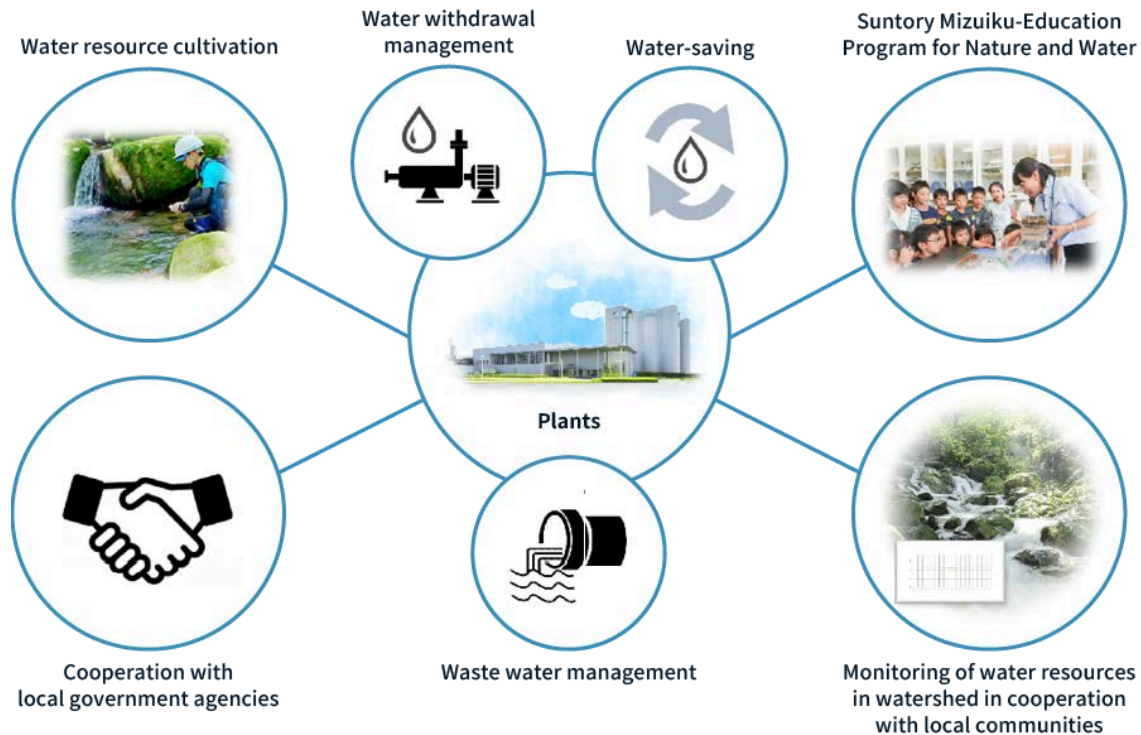
### Why Suntory is promoting the AWS

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



Water stewardship indicates the responsible management and planning of water resources at the catchment level in collaboration with key stakeholders such as governmental agencies and the local community, in addition to managing water within our own plants. The initiative aims to promote the use of water that is socially and culturally equitable, environmentally sustainable, and economically beneficial throughout the entire catchment. Suntory Group conduct initiatives to contribute to a healthy water cycle in the watersheds based on Suntory Group's "Sustainable Water Philosophy," which has four pillars—understanding the natural water cycle, promoting environmentally conscious water use, conserving watersheds, and engaging with the local community. In addition to using water carefully through continuous water-saving activities and wastewater management at plants, Suntory Group established the Institute for Water Science in 2003 to conduct hydrologic studies and scientifically understand the water cycle in watersheds around our plants. In the same year, the Natural Water Sanctuary Initiative began in the Kyushu Kumamoto Plant to conserve the water source, have now expanded the area to 26 locations totaling about 12,000ha in Japan and achieved the target of recharging more than twice the amount of water withdrawn by our plants in Japan. We continue to realize our vision for the next 50 and 100 years with the support of experts in various fields and residents and to create a forest that nurture groundwater for the watersheds. Moreover, we conduct the Suntory "Mizuiku"-education program for nature and water at the Natural Water Sanctuaries and local elementary schools near Tennensui Water Plants and cooperate with local government agencies and the community to monitor the catchments' groundwater level and water resources. Furthermore, we implement forest maintenance and paddy impounding to recharge groundwater and disseminate attractiveness to vitalize local communities under signed partnership agreements with local government agencies. We became the first company to earn the internationally respected standard for water stewardship in Japan, the AWS Certification, to continuously deepen such integrated water resource management itself according to our "Sustainable Water Philosophy."

## Integrated Water Resource Management



## About AWS

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

For the certificate audit of Okudaisen Bunanomori Water Plant, Suntory Kyushu Kumamoto Plant, and The Minami Alps Hakushu Water Plant, the assessment body highly evaluated our integrated water resource management efforts aligned with Suntory Group's "Sustainable Water Philosophy," including understanding the water balance in the catchment areas around the plants, implementing water source conservation activities based on scientific data, promoting water conservation and water quality management at the plants, and collaborating with stakeholders while ensuring appropriate information disclosure.

## Initiatives as a Leading Company

Suntory Holdings Limited received the request from the AWS to take leadership as a company that leads the promotion of water sustainability in Japan. Endorsing its purpose, we signed a partnership agreement with AWS Asia Pacific in February 2021 followed by signing between Suntory Holdings and AWS International Secretariat in 2023. We also became the first company with AWS membership in Japan. As the initiatives under the partnership agreement, we supervised the Japanese edition of the AWS International Standards issued in August 2021. We also introduced the certification of the AWS for Suntory Kyushu Kumamoto Plant through a case study, etc., of water source conservation activities by winter paddy impounding at the 4th Asia Pacific Summit held in April 2022, in cooperation with the Water Stewardship Asia Pacific. Suntory will advocate the importance of water resource management by the private sector. In addition, in February 2023, we established the AWS Japan Day Executive Committee with WWF Japan and held Japan's first "AWS Conference - Responsible Management of Water Resources in the Watershed for Businesses," which was attended by numerous Japanese companies, central ministries, local governments, universities, and NGOs.

To leverage the network cultivated through these activities, in March 2025, the Japan Water Stewardship Leadership Group was collaboratively launched under AWS by MS&AD Insurance Group Holdings, Inc., Kurita Water Industries Ltd., Suntory Holdings Limited, Coca-Cola (Japan) Company, Limited, and Yachiyo Engineering Co., Ltd. with the aim of expanding efforts to advance credible water stewardship in Japan. Various water issues have become apparent in Japan, such as aging water infrastructure, rising water utility charges, and the devastation of water catchment forests. Agricultural products imported to Japan also rely on water resources in the places they are produced, with droughts and heavy rains contributing to rising raw material prices. To deal with such water risks, we will continue to be a leading presence for networking with stakeholders to promote water stewardship.

# Achieving the AWS Certification by Suntory

2018

## <First in Japan>

Suntory Okudaisen Bunanomori Water Plant

Achieved the AWS Certification

- **Commitment to AWS (Suntory Okudaisen Bunanomori Water Plant)** 



2019

Suntory Kyushu Kumamoto Plant

Achieved the AWS Certification

- **Commitment to AWS (Suntory Kyushu Kumamoto Plant)** 



2021

## <First in Japan>

Signed partnership agreement with AWS Asia Pacific

## <First in Japan>

Member of the AWS Supporting Companies

Suntory Minami Alps Hakushu Water Plant

Achieved the AWS Certification

- **Commitment to AWS (Suntory Minami Alps Hakushu Water Plant)** 



2023

## <First in Japan>

Suntory Kyushu Kumamoto Plant

Achieved the AWS "Platinum" Certification

Signed a collaboration agreement with AWS International Secretariat



2025

Suntory Okudaisen Bunanomori Water Plant

Suntory Minami Alps Hakushu Water Plant

Achieved the AWS "Platinum" Certification

Launch of AWS Japan Water Stewardship Leadership Group

We will continue to further engage in AWS activities

- **For more information on community engagement at our plants, see Identifying and Resolving Watershed Issues, and Community Engagement.**

# AWS Activity Report 2024

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- > [AWS Activity Report \(Suntory Okudaisen Bunanomori Water Plant\)](#) 
- > [AWS Activity Report \(Suntory Kyushu Kumamoto Plant\)](#) 
- > [AWS Activity Report \(Suntory Minami Alps Hakushu Water Plant\) SUNTORY](#) 
- > [back to previous page](#)



# Identifying and Resolving Watershed Issues, and Community Engagement

We recognize that Suntory Group's business activities are part of the natural water cycle. For over 20 years, we have collaborated with diverse stakeholders to conserve water resources. As a member of watershed communities, it is essential for Suntory Group to transition to more sustainable water resource management to achieve continuous business growth. Our engagement strategy focuses on working with stakeholders to spread sustainable water use practices throughout society. By doing so, we aim to contribute to the sustainable development of regional communities and the maintenance of rich ecosystems, facilitating a broader societal transition toward sustainability.

## Process

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To achieve our water replenishment targets outlined in our Environmental Targets toward 2030, Suntory Group collaborates with local stakeholders to identify water-related issues in the watersheds where our plants are located. With the agreement of key stakeholders, we advance initiatives to conserve water resources that address these challenges. Additionally, Suntory Group seeks to facilitate a transition toward a society with sustainable and healthy water cycles by participating in international rule-making and building cross-industry alliances that extend beyond the value chain.

### Stakeholder Engagement

Water is a local resource, meaning water-related issues vary from region to region and from watershed to watershed. Local water-related stakeholders are diverse, ranging from local governments and authorities in charge of water services, to NGOs, experts (university researchers and consultants, etc.), and local residents.

Through dialogue, Suntory Group seeks to understand the needs and capabilities of these diverse entities. We consider the most effective cooperation framework and approach to advance our initiatives, starting from building consensus. This process forms the basis of our regional engagement efforts.

### Identification of Watershed Issues

The insights gained by Suntory Group over more than 20 years of water resource replenishment activities in Japan also represent a significant advantage in our community engagement efforts.

Our earnest dedication to the "Suntory Natural Water Sanctuaries" as a core business has fostered trust among local communities, helping them understand our commitment to solving water-related challenges. Additionally, the data and scientific knowledge accumulated at the Institute for Water Science greatly assist in accurately identifying issues in each watershed, facilitating consensus-building with stakeholders.

# Community Engagement Initiatives Related to Water

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## Japan

### Hokuto City, Yamanashi Prefecture: Over Two Decades of Groundwater Monitoring

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In Yamanashi Prefecture's former Hakushu Town (now Hokuto City), the Hakushu Town Groundwater Conservation Ordinance was established in 1996. Following a request by the then-mayor for the cooperation of the first plant manager of the current Suntory Tennensui (Mineral Water) Minami Alps Hakushu Water Plant in 1998, we established the Hakushu Town Groundwater Conservation and Utilization Council together with other large-scale companies and local businesses. This Council, funded by contributions from participating businesses, has set up observation wells to continuously monitor groundwater levels. Independent evaluations have concluded that groundwater levels have remained stable over the long term, indicating no significant issues.

Suntory Group has participated in this Council since its inception and has been cooperating with groundwater level monitoring efforts for over 20 years.

In recognition of these efforts as well as water stewardship activities<sup>\*1</sup>, such as water resource cultivation at Suntory Natural Water Sanctuary Minami Alps and the Mizuiku next-generation environmental education program conducted in collaboration with local governments in Yamanashi Prefecture such as Hokuto City, Suntory Minami Alps Hakushu Water Plant received the highest "Platinum" certification from the Alliance for Water Stewardship (AWS) in 2025.

<sup>\*1</sup> Comprehensive water resource management undertaken continuously in cooperation with local governments and local communities from the perspective of the entire watershed, not just within our own factory or other places of business.

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

### Kumamoto City, Kumamoto Prefecture: Supporting Groundwater Visualization and Building Corporate Cooperation Frameworks

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#### Past Initiatives

In the water- and greenery-rich Kumamoto region, citizens, government, and businesses have long collaborated to conserve and utilize groundwater. This initiative has been recognized worldwide, having received the UN 'Water for Life' Top Award (Water Management Category) in 2013.

Suntory Group has also restored more than twice the amount of groundwater withdrawn by our plants in Japan through initiatives such as water withdrawal management and water conservation activities on the grounds of its Kyushu Kumamoto Plant, as well as groundwater conservation and restoration activities (Suntory Natural Water Sanctuaries) in upstream areas and "winter water paddies" (an initiative to conserve and restore groundwater by flooding fields in the winter) in downstream areas.

We also continue to engage in dialogue with various local stakeholders, striving to foster understanding of our efforts and relationships of trust.

In recognition of these efforts, the Suntory Kyushu Kumamoto Plant received the highest "Platinum" certification from AWS in February 2023.

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

## Suntory's Water Stewardship in the Kumamoto Region



Created based on *Groundwater Flow in the Kumamoto Region* published by the Kumamoto Groundwater Foundation

## New Regional Issues and Suntory's Contributions

In Kumamoto Prefecture, the rapid development of semiconductor-related industries and urban areas is progressing. The introduction of water-intensive industries has raised concerns among local governments and residents about the possibility of groundwater, which is showing signs of recovery, declining again and leading to a critical situation.

Furthermore, with industrialization and urbanization, it is becoming more difficult to secure land to maintain traditional methods of groundwater conservation and restoration, such as flooding winter rice paddies. In response, in 2025, Suntory Group partnered with local universities and financial institutions to launch Kumamoto Water Positive Action<sup>\*1</sup>, an initiative that promotes the expansion of green infrastructure to encourage companies to voluntarily conserve and restore groundwater.

In response to the issue of reduction in the area of rainwater penetration due to land development, this action will utilize green infrastructure<sup>\*2</sup> such as rain gardens to ensure rainwater penetration functions in areas undergoing development and work to conserve the water cycle by promoting groundwater restoration and flood mitigation. In addition, the initiative supports the voluntary installation of green infrastructure by land development companies. It also promotes research and development of innovative financial methods to create credit from the value of groundwater restoration through green infrastructure, based on the principle of nature credits<sup>\*3</sup>.

By utilizing these financial methods, the initiative aims to further introduce green infrastructure through public-private partnership funding mechanisms.

Furthermore, presenting simulations based on accurate groundwater data is essential to encouraging companies to take action. Suntory Group has in place a joint research agreement between the Kumamoto Groundwater Foundation and our Institute for Water Science. Under this agreement, we are working with the local community to build a simulation model that can predict the future using data sets from the past. Furthermore, by providing knowledge about visualizing groundwater flow, we will contribute to formulating proposals and policies regarding water and land use in the future.

<sup>\*1</sup> For this initiative, water positivity is defined as "responding to the negative impacts on water caused by land alteration and water withdrawal within the watershed through conservation of the natural environment that nurtures water, water resource replenishment, and the use of reclaimed water, thereby returning equal or greater amounts of water to the watershed."

<sup>\*2</sup> Concepts and initiatives that utilize the diverse functions of the natural environment to resolve social issues, such as natural disasters and global warming, and promote the development of sustainable and attractive regions, cities, and nations.

<sup>\*3</sup> Measurable positive outcomes for ecosystems and biodiversity that result from nature conservation, restoration and responsible management. It is attracting worldwide attention as an economic means to provide funds for the improvement and enhancement of nature and biodiversity.

## Southeast Asia

### Vietnam: Community Engagement at the National Level

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Vietnam is the first country outside of Japan where Suntory Group launched Mizuiku - education program for nature and water. Mizuiku, which began in 2015, will mark its 10th anniversary this year (2025).

In Vietnam, unlike Japan, illegal dumping into rivers near urban and town areas remains prevalent, making river pollution a serious issue. The government also places high importance on this issue. Recognizing that education is key to solving this issue, Suntory Group held ongoing discussions with the government. As a result, an agreement was signed with the Vietnam's Ministry of Education and Training in October 2022. The Ministry of Education and Training is the equivalent of Japan's Ministry of Education, Culture, Sports, Science and Technology. With Vietnam's government understanding the seriousness of water issues, this agreement demonstrates that the effectiveness of Mizuiku has been seen within the framework of public education and represents an example of advancing environmental education at the national level.

Suntory Group is currently working with the Ministry of Education and Training to provide Mizuiku curriculum training to school teachers across Vietnam and to promote the program's expansion nationwide.

As one concrete initiative, we have compiled a training textbook for teachers (an official educational material equivalent to the textbooks published by the Japanese Ministry of Education, Culture, Sports, Science and Technology). Based on this textbook, training on how to run Mizuiku classes was provided to school teachers in 63 prefectures across Vietnam in 2024, with many teachers taking part.

As of 2024, teachers who completed this training have been conducting Mizuiku in their own classes, reaching approximately 530,000 students.

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

### Thailand: Joint Research with a University

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In Thailand, we are conducting joint research with Chiang Mai University. We are conducting research on the water balance of the entire watershed, including Pasak Jolasid Dam, which is the water source for our Saraburi Plant, and how to encourage local engagement. Additionally, we are analyzing how groundwater flows and identifying which areas would most benefit from activities to enhance groundwater recharge.

Based on the knowledge gained, we plan to decide on what initiatives to implement in which areas at Pasak Jolasid Dam and the entire Pasak watershed.

Additionally, we have been implementing Mizuiku since July 2019.

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

## Europe

### Toledo, Spain: Joint Research with a University

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To assess the future impacts of climate change on the Guajaraz Reservoir, which serves as the water source for the Toledo Plant, we are developing a simulation model and conducting analysis in collaboration with a hydrological research team from the University of Alcala. In this research, we assessed the impacts of climate change on the Guajaraz Reservoir using a hydrological model called SWAT+. Of the climate change scenarios based on future projections of greenhouse gas concentrations by the Intergovernmental Panel on Climate Change (IPCC), we made future projections using RCP 8.5, which has the highest greenhouse gas emissions. We are now estimating how much the amount of water flowing into the reservoir from rivers upstream will decrease by the end of the 21st century.

We are also conducting Mizuiku in Spain.

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

# Aiming to Understand the Water Cycle and Improve Water Risk Assessment Taking into Account Water Infrastructure

## Recognition of Issues

Monsoon Asia, including Japan, is home to more than 50% of the world's population and is characterized by annual precipitation far exceeding the global average. However, 70 to 90% of precipitation occurs during the rainy season, with little rainfall for long periods during the dry season, making water supplies unstable. In this region, water infrastructure is highly developed, including water storage in dams and water transport between watersheds using canals. This infrastructure is in place to support the robust water needs of local communities and ecosystems.

To accurately understand the supply risks relative to water demand, it is important to evaluate the role of water infrastructure in addition to the natural water cycle. Further, by assessing the potential for annual water shortages on a regional basis, specific countermeasures can be implemented effectively.

## Development of Water Security Compass

To address these issues, Suntory Holdings, in collaboration with the Graduate School of Engineering at The University of Tokyo and Nippon Koei Co., Ltd., a subsidiary of ID&E Holdings Co., Ltd., established the University of Tokyo Social Cooperation Program called "Global Water Cycle"<sup>\*1</sup> and jointly developed the online platform "Water Security Compass."

Water Security Compass is the world's first<sup>\*2</sup> online platform that utilizes a cutting-edge model developed by The University of Tokyo and others to simulate the global water cycle. It takes into account the impact of seasonal changes and infrastructure such as dams on water volume to accurately understand water demand and supply in various parts of the world and then visualizes<sup>\*3</sup> the current and future water resource shortage situation for each use.

The platform has been available free of charge since the summer of 2024, with the primary aim for it to be used in research on water resources in a wide range of fields across industry, government, and academia<sup>\*4</sup>.

<sup>\*1</sup> Global Water Cycle Social Cooperation Program was established in 2022 with the aim of combining the knowledge of companies and universities to promote research and development, social implementation of developed technologies, and human resource development. This is an industry-academia collaboration framework involving The University of Tokyo, Suntory, and Nippon Koei.

<sup>\*2</sup> Based on a survey by The University of Tokyo's Social Cooperation Program called Global Water Cycle.

<sup>\*3</sup> For Japan, the simulation was performed at a much higher resolution (approximately 2 square km) than before. (Currently, only Western Japan is available.)

<sup>\*4</sup> The currently released version is a trial version (beta version) prior to the official version. The official version is scheduled to be released in 2025, with further improvements and corrections to data and functions planned for the future.

## Toward Actionable Indicators

In corporate responses to water risks, the importance of data-driven hypothesis development and decision-making will continue to grow. The Water Security Compass aims to assist companies in accurately identifying areas with high drought risk by leveraging data. By serving as an actionable indicator, it contributes to more effective resource risk management.

At Suntory Group, we not only use the Water Security Compass internally but also promote its widespread adoption through engagement with international initiatives.

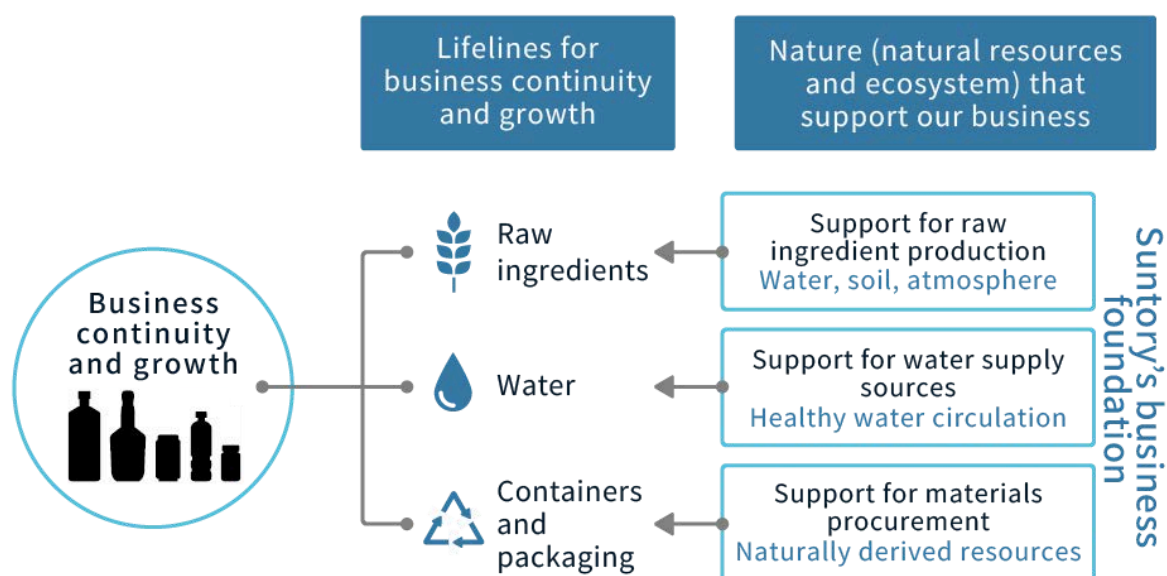
➤ [For more information, see Water Risk Assessment](#)

# Biodiversity

## Our Policy and Approach

Suntory Group products are crafted from the gifts of nature, meaning that the global environment itself is a vital foundation for Suntory Group's business. To protect this foundation, we engage in activities that conserve and restore the natural environment and biodiversity.

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



We depend on these gifts of nature (natural capital). At the same time, this dependence also means that ecosystem degradation and loss of biodiversity can also present a serious risk to our business continuity. As such, we recognize that proactively engaging in activities that conserving biodiversity will create new opportunities to improve our corporate value—for example, securing sustainable procurement of raw ingredients and gaining the trust of local communities.

Suntory Group supports the goals of the 30by30 initiative (Kunming-Montreal Global Biodiversity Framework) to halt biodiversity loss and put nature on a recovery track by 2030, a goal agreed upon by the world to achieve a sustainable society. We are committed to contributing to this goal through our business activities.

We also participate in Science-Based Targets for Nature (SBTN), which sets out methods for natural capital management based on scientific knowledge. By setting targets and promoting action grounded in science, we aim to create a positive impact on biodiversity. With this policy, we will balance measures for climate action (carbon neutrality, etc.) with biodiversity conservation, handing the regenerative power of nature to future generations.

### Disclosure Based on TNFD Recommendations

In May 2023, Suntory Group became the only Japanese company among 17 globally participating in the pilot implementation of guidance provided by the Science Based Targets Network (SBTN). This initiative aims to set and pursue science-based goals related to nature, following the corporate guidance issued by SBTN.

We have started disclosure of the Taskforce on Nature-related Financial Disclosures (TNFD) based on assessments and progress



made in the SBTN validation pilot.  
For more information, see the following.

➤ [For more information, see our Disclosure Based on TNFD & TCFD.](#)

## Promotion Structure

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### Global Sustainability Committee

Suntory Group has established a system for promoting environmental management centered on the Global Sustainability Committee (GSC). Under the supervision of the Chief Sustainability Officer, GSC formulates strategies related to the seven key themes of sustainability, which include water, climate action, raw ingredients, containers and packaging, health, human rights, and lifestyle culture. GSC also oversees the progress of these strategies and analyzes the business risks and growth opportunities, reporting to the Board of Directors on a quarterly basis.

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

Biodiversity-related risks and opportunities have also been integrated into Suntory Group's enterprise risk-management processes and are regularly monitored by senior management and the Board of Directors. For example, key issues related to water sustainability and biodiversity are positioned as items for risk oversight by the Board of Directors and reflected in our management strategies and business plans as necessary.

Moving forward, we will enhance our governance framework related to biodiversity and integrate these considerations into our management strategies, in alignment with the TNFD framework. We will endeavor to utilize the knowledge we have gained from measures for climate action, such as governance based on TCFD, to establish a system for discussing and advancing natural capital across the entire Group.

## Initiatives

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### Water Sustainability

#### Suntory Natural Water Sanctuary

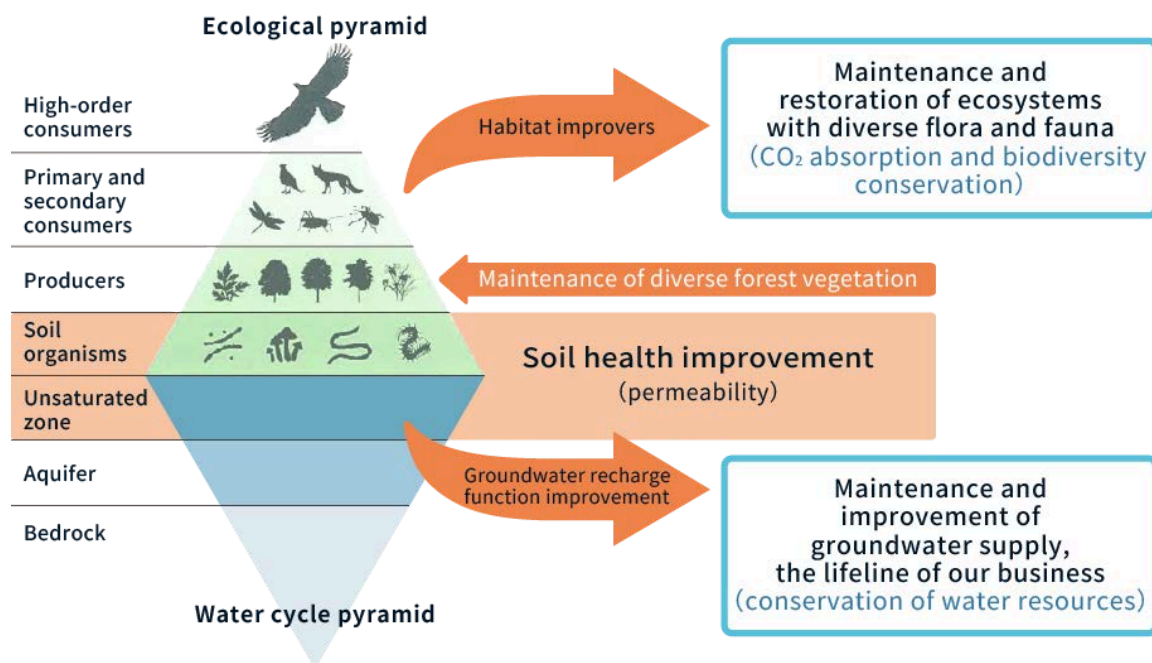
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To ensure the safety, security, and sustainability of groundwater, Suntory Group has been cultivating forests in the watersheds around our plants as Suntory Natural Water Sanctuaries to nurture groundwater. These forests recharge more than twice the amount of water withdrawn by our plants in Japan.

Forests that nurture pristine groundwater are also rich in biodiversity. When the forest ecosystem is restored, the flora and fauna also begin to thrive in new ways. Suntory Group systematically manages its Natural Water Sanctuaries through ongoing ecosystem monitoring of flora and fauna, including birds. Considering how wild birds are a barometer of environmental health, we have experts conduct annual wild bird surveys to furnish a broader understanding of the changes taking place in the entire supporting ecosystem.

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

We have expanded our Natural Water Sanctuaries to 26 locations in 16 prefectures throughout Japan, which in total cover more than 12,000 hectares. In these sanctuaries, we promote forest conservation activities in cooperation with regional governments and local forestry officials.



### 30by30 Alliance for Biodiversity

In April 2022, Suntory Group joined the 30by30 Alliance for Biodiversity,<sup>\*1</sup> which aims to halt and reverse biodiversity loss to realize a sustainable society.

<sup>\*1</sup> The 30by30 Alliance for Biodiversity was established as a voluntary coalition of local governments, companies, and NPOs to conserve or protect at least 30% of Japan's land and sea areas by 2030.

Additionally, 6 Suntory Natural Water Sanctuaries have been certified as Sites Coexisting with Nature promoted by the Ministry of the Environment as part of an initiative aimed at achieving 30by30 goals. Sites Coexisting with Nature are areas where biodiversity conservation efforts through private-sector initiatives are certified by the Japanese government. Certified areas, excluding overlaps with protected areas, are registered in the world OECM (Other Effective area-based Conservation Measures) database. The fact that Suntory's forest conservation areas are among Japan's OECMs is also of great significance in terms of our contribution to international targets.



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

### Publication of a Biodiversity Report

In September 2022, Suntory Group published the Suntory Natural Water Sanctuary Biodiversity Restoration Report, which summarizes the diverse issues facing Japan's forests and communicates examples of advanced initiatives in our Natural Water Sanctuaries.

The report introduces Japan's ecological challenges such as satoyama (community forest) degradation and the increase in invasive alien species, and also introduces our efforts to restore forests and biodiversity – for example, forest floor management and rare species protection. We will continue to evolve our science-based forest-nurturing efforts and actively communicate the results.



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

## Suntory's Peatland Water Sanctuary Initiative in Scotland

Suntory Group is expanding conservation efforts at critical biodiversity sites beyond Japan. In Scotland, we have embarked on initiatives to conserve peatlands and water sources that nurture peat, an essential raw material for whisky-making. We are engaged in restoring peatlands in areas where peat was previously mined and to regenerate ecosystems in nature reserves in collaboration with the Royal Society for the Protection of Birds (RSPB).

The peatland restoration project began on areas near the Ardmore Distillery in partnership with Forestry and Land Scotland, which owns the land, and the James Hutton Institute, which is assisting with research, planning, and execution for the restoration. Restoration activities subsequently began on Islay and in northern Scotland, where peat was mined for scotch in the past, and in nature reserves in Airds Moss and the Oa, activities were launched in collaboration with the Royal Society for the Protection of Birds of Scotland.

With additional activities planned, Suntory Group has set a goal of restoring sufficient peatlands by 2040 to equate to twice the volume of peat we harvest to make Scotch whiskies. Peatland conservation and restoration contributes not only to maintaining ecosystem services such as improved water purification and water retention, but also to climate change mitigation through peat's ability to sequester large amounts of carbon from the atmosphere. This project will be beneficial both from a climate and biodiversity perspective, also contributing to the conservation of Scotland's natural environment.



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



Ardmore Distillery

- [-Sustainability Stories- The Peatland Water Sanctuary™ Initiative: For Peat, an Important Ingredient in Whisky, and for the Future of the Planet](#)

## Raw Ingredients

Suntory Group promotes initiatives in and outside Japan aimed at conserving biodiversity in the agricultural crops it uses for key raw ingredients.

For example, Suntory Beverage & Food Great Britain and Ireland has been supporting sustainable agriculture for blackcurrant farmers since 2004, promoting the conservation of river and wetland ecosystems with biodiversity plans tailored to each farm and its surrounding habitat. In 2022, the company published the report, Farm Stewardship Programme, which summarizes its efforts to conserve biodiversity on blackcurrant farms across the UK and the results.

Other efforts within the Group include adopting regenerative agriculture methods that contribute to soil biodiversity, such as attempts at soil improvement and crop rotation for sustainable procurement of malting barley (a raw ingredient in beer) and the use of green mulches at vineyards (a cover crop method that maintains vegetation between vines). This shift in agricultural methods will help improve farmland soil fertility and conserve biodiversity while also building a raw ingredients procurement system that is resilient to future climate change.

- [Download the Farm Stewardship Programme Report](#) 



Cover crops



Vineyard with grass mulch  
at Suntory Tominooka Winery



Farm Stewardship  
Programme Report

In terms of procurement, we carry out risk assessments for key raw materials in our Basic Policy on Sustainable Procurement and are strengthening our raw material procurement standards with biodiversity in mind. For paper packaging and agricultural products that directly contribute to deforestation, we are moving toward the use of certified paper and environmentally friendly raw materials, and are working to conserve biodiversity throughout the supply chain. Using the TNFD framework, we will also advance upstream biodiversity risk assessments for the value chain (for agricultural production areas and forest production areas) and deepen our consideration of conservation activities and commitments in cooperation with external stakeholders regarding key regions and raw materials.

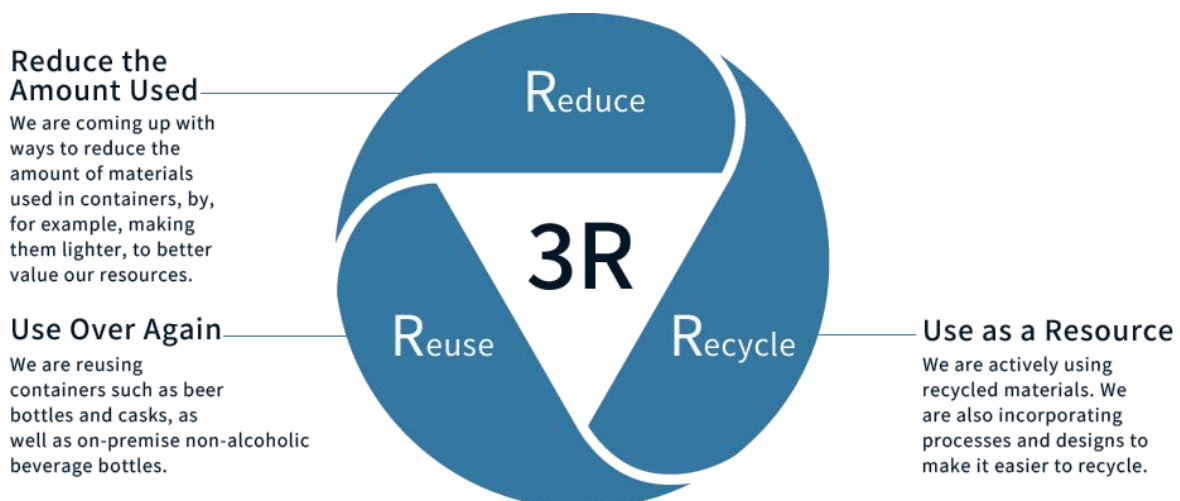
➤ Please see Sustainable Procurement for specific initiatives and achievements regarding agricultural crops for raw ingredients.

## Container and Packaging Initiatives

In addition to ecological efforts for water and crops, Suntory Group aims to leverage limited natural resources by, promoting the 3Rs (reduce, reuse, recycle) for raw ingredients and packaging and containers in collaboration with diverse stakeholders, employing renewable resources, and building efficient resource recycling systems.

Especially with regard to PET bottles, Suntory Group is working to reduce the use of virgin petroleum-based materials and substituting them with alternatives such as recycled and bio-based materials under our unique 2R+B strategy\*. From the development stage, we pursue efficient use of resources by reducing resin content and replacing petroleum-derived raw materials with renewable materials wherever possible in order to reduce environmental impact throughout the lifecycle of our containers and packaging.

\* (Reduce/Recycle + Bio)



Concept of 3Rs in Containers and Packaging

# 2R+B\*



## Reduce

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



## Recycle

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



## Bio

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

# Sustainability × Usability

\*2R+B is a registered trademark

2R+B Strategy

Through these initiatives related to containers and packaging, we aim to reduce the footprint of waste and resource extraction on ecosystems. The environmental impact of improper handling of used plastics has become a social issue affecting the environment. Suntory Group seeks to contribute to resolving these issues by strengthening bottle-to-bottle recycling and developing bio-based PET. Going forward, we will strive to further increase the proportion of sustainable materials in our containers and packaging, which will both reduce environmental impact and conserve biodiversity. We will work with suppliers and other business partners to advance efforts to minimize ecosystem impacts throughout the value chain, from the procurement of packaging materials to disposal and recycling.

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

## Suntory Bird Conservation Activities

Recognizing that wild birds are barometers of the environment, Suntory Group has advocated that protecting birds leads to protecting human beings and the natural environment and started its bird conservation activities in 1973. In 1989, we established the Suntory Fund for Bird Conservation to provide financial assistance to bird conservation activities inside and outside Japan. As of 2024, we have provided grants totaling over 700 million yen to 517 projects. To this day, we continue to support bird conservation projects by NPOs and research institutions around the country. These projects are wide-ranging and include habitat conservation, protection of rare species, and environmental education.

Suntory bird conservation activities first focused on raising awareness about common wild birds. Since the launch of our Save the Birds! campaign in 1973, we have used television commercials, newspaper ads, and posters to share photographs and messages about wild birds, which has raised public interest in nature conservation. We have also been communicating the importance of bird watching and conservation to future generations through activities such as sponsoring a poster-sketching contest for elementary and junior high school students in honor of Japan's annual bird week and providing support to bird-loving groups across Japan.



1st Save the Birds! Campaign newspaper ad

Since wild birds sit at top of the ecological pyramid, tracking their movements can tell us about the health of the entire ecosystem. Given their importance, we not only provide support through the Suntory Fund for Bird Conservation but also conduct wild bird surveys in our own water replenishment forests Natural Water Sanctuaries to help monitor the forest ecosystems.

Guided by our philosophy of being an enterprise “sustained by nature and water,” Suntory Group will continue its work to conserve biodiversity, always having gratitude and reverence for the ecosystems that nurture water and living things. We will share with external parties the knowledge and technologies we have gained through our business activities and deepen our partnerships with government, NPOs, and local communities while contributing to the realization of a sustainable society that coexists in harmony with nature.

➤ **For more information, see Bird Conservation Activities.**



# Bird Conservation Activities

## Suntory Bird Conservation Activities

Wild birds are said to be barometers of natural environment. This is because birds have wings and fly away when the environment deteriorates and return when it improves. Suntory Group, which depends on the rich gifts of nature, has been carrying out bird conservation activities since 1973 to share with society the importance of protecting wild birds, based on the belief of "Today Birds, Tomorrow Humans - Happiness that happens to birds today may make tomorrow's humans happy." These activities are in line with the principles of the international framework 30by30, which to achieve nature positive.

### History of Suntory Bird Conservation Activities

Year of activity	Content
1973	<ul style="list-style-type: none"><li>- Start of Save the Birds! Campaign (May)</li><li>- The first publication of a newspaper ad with an illustration of wild birds (received Asahi Advertising Award)</li><li>- Established a bird sanctuary in the Hakushu Distillery (Yamanashi prefecture)</li></ul>
1989	<ul style="list-style-type: none"><li>- Foundation of the Suntory Fund for Bird Conservation</li></ul>
1990	<ul style="list-style-type: none"><li>- The 1st Fund Granting Ceremony of the public trust, Suntory Fund for Bird Conservation</li></ul>
1993	<ul style="list-style-type: none"><li>- Start of the Save 1000 Albatrosses! Campaign</li></ul>
2006	<ul style="list-style-type: none"><li>- Newly established Grant for Community Bird Activities to the Suntory Fund for Bird Conservation</li></ul>
2014	<ul style="list-style-type: none"><li>- Newly established Grant for Riparian Large Bird Conservation to the Suntory Fund for Bird Conservation</li></ul>
2016	<ul style="list-style-type: none"><li>- Received the Wood Pencil at the D&amp;AD Awards 2016, the ADC Award at the 2016 ADC Awards and the monetary prize at the Design for Asia Awards (DFAA) for the Line of Life Project to build kites of birds with children in the hopes of returning storks to a habitat where they can live normally</li></ul>
2018	<ul style="list-style-type: none"><li>- Relevant businesses certified under Japan Committee for the United Nations Decade on Biodiversity(UNDB-J)</li></ul>
2021	<ul style="list-style-type: none"><li>- Supported "eBird Japan," the Japanese version of "eBird," the world's largest bird observation database.</li></ul>
2025	<ul style="list-style-type: none"><li>- The 36th Fund Granting Ceremony of the public trust, Suntory Fund for Bird Conservation (Total of ¥745.6 million from the 1st to 36th fund granting have been made to 534 organizations)</li></ul>



1st Save the Birds! Campaign newspaper ad

## The Suntory Fund for Bird Conservation

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

Over the 36 years since becoming a charitable trust in 1990, the Fund has granted total of ¥745.6 million to 534 organizations up to 2025, making great achievements.

The Fund currently has 3 grant categories. The first is the Bird Conservation Groups Activities Grant, which supports organizations both in Japan and overseas that protect rare and endangered species. The second is the Regional Bird-watching Activities Grant, which provides subsidies for the purchase of binoculars and other equipment to school clubs and volunteer groups that work to protect and observe familiar wild birds. The aim is to expand the base for wild bird conservation in local communities. The third is Waterfront Large Bird Conservation, which supports the development and restoration of environments in which large waterside birds such as storks, crested ibises, and cranes live. Significant results are beginning to appear in recent years through this support, such as the return of Oriental white storks and Japanese crested ibises to the wild.

The 2020 presentation ceremony was cancelled to avoid the risk of new coronavirus (Covid-19) infection; the 2021 and 2022 ceremonies were held online; We continue to hold hybrid events from 2023 by connecting online with grantees outside Japan and regional grantees in Japan.



The 36th Fund Granting Ceremony of Public Trust Suntory Fund for Bird Conservation

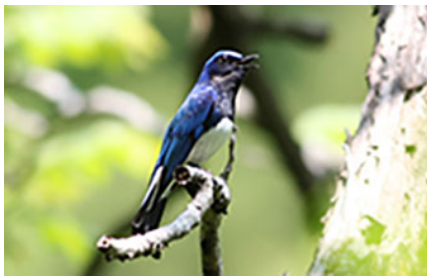
[▶ About the Suntory Fund for Bird Conservation \(in Japanese\)](#) [🔗](#)

## The Hakushu Distillery Bird Sanctuary

We began bird conservation activities in 1973 and that same year, Suntory became the first private-sector company in Japan to open a wild bird sanctuary, which is located at the Hakushu Distillery in Yamanashi Prefecture.

Surrounded by rich forests and many clear streams, the Hakushu Distillery is a relay point of migration for wild birds. Suntory periodically conducts bird research (monitoring) in the sanctuary, using the data to create a better environment for birds and other living creatures. We will continue to improve the environment with the advice of experts.

[▶ Suntory Bird Conservation Activities: "Today Birds, Tomorrow Humans" \(in Japanese\)](#) [🔗](#)



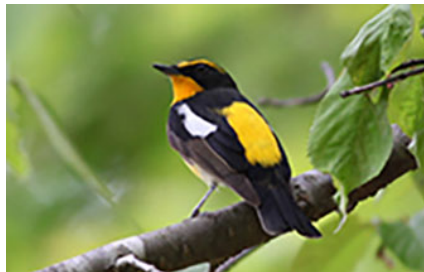
Blue-and-white Flycatcher



Ural Owl



Red-flanked Bluetail



Narcissus Flycatcher



Hanging boxes in the Bird Sanctuary

## Communication

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

The portal site "eBird Japan" (operated by Cornell University Lab of Ornithology and the Wild Bird Society of Japan), which provides access to the world's largest bird observation database of birdwatchers' records, and the bird identification app Merlin are tools that make it easy to enjoy birdwatching activities in Japan and overseas. Suntory is working to promote the use of these tools as the main sponsor. Wild bird observation records collected using these tools are used as big data from citizen engagement at Cornell University, serving as a valuable information platform for global bird conservation.



Japanese Bird Encyclopedia website



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



Save the Birds Activity leaflets

- [Japanese Bird Encyclopedia \(in Japanese\)](#)
- [Wild Bird Society of Japan: eBird Japan \(wbsj.org\) \(in Japanese\)](#)
- [Save the Birds activity leaflets \(in Japanese\)](#)
- [Video: Line of Life Project, a Suntory bird conservation activity \(in Japanese\)](#)

# Climate Action

## Our Policies and Approach

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Global warming affects water resources and raw materials, which are central to Suntory Group's beverage business, making climate change a critical issue for our business continuity. Suntory Group has set a 1.5°C target to limit the rise in global average temperatures to 1.5°C above pre-industrial levels. To achieve this, we seek to decarbonize our entire value chain, from the production process for raw ingredients and product manufacturing to the delivery of products to consumers. We are working together with various stakeholders, including business partners in raw materials, manufacturing, and logistics, as well as our customers to promote climate action measures as a unified group.

Additionally, following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we conduct long-term scenario analyses and incorporate evaluations of the risks and opportunities climate change poses to our business into our management strategies. For example, we have identified key risks such as increased costs from the introduction of a carbon tax, insufficient water resources at production sites, and increased procurement costs for raw ingredients due to declining agricultural yields. In response, we have implemented measures such as the use of internal carbon pricing, capital investment, and water replenishment initiatives.

At the same time, we recognize opportunities for increased demand for beverages that prevent heatstroke due to rising temperatures and improved brand value through water resource conservation. These opportunities are being leveraged to drive business growth through the strengthening of our product portfolio and the continuation of water source protection activities.

## Promoting Structure

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### Global Sustainability Committee

To promote environmental management at Suntory Group, we have established a system centered around the Global Sustainability Committee (GSC). Under the supervision of the Chief Sustainability Officer, GSC formulates strategies related to the 7 key themes of sustainability, which include water, climate action, raw ingredients, containers and packaging, health, human rights, and lifestyle culture. GSC also oversees the progress of these strategies and analyzes the business risks and growth opportunities, reporting to the Board of Directors on a quarterly basis.

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

## Targets and Progress

### Environmental Vision toward 2050



#### Climate Action Measures

- Aim for net **zero** greenhouse gas emissions across the whole value chain by 2050  
Continue to promote energy conservation, proactively implement renewable energy solutions, utilize next-generation infrastructure options and work together with stakeholders across the value chain in order to contribute to realizing a decarbonized society



#### Environmental Targets toward 2030

#### 2024 Progress



##### Greenhouse gas (GHG)

- Reduce GHG emissions from our direct operations by **50%\***<sup>1</sup>

- **32%** reduction compared to 2019



- Reduce GHG emissions across our entire value chain by **30%\***<sup>1</sup>

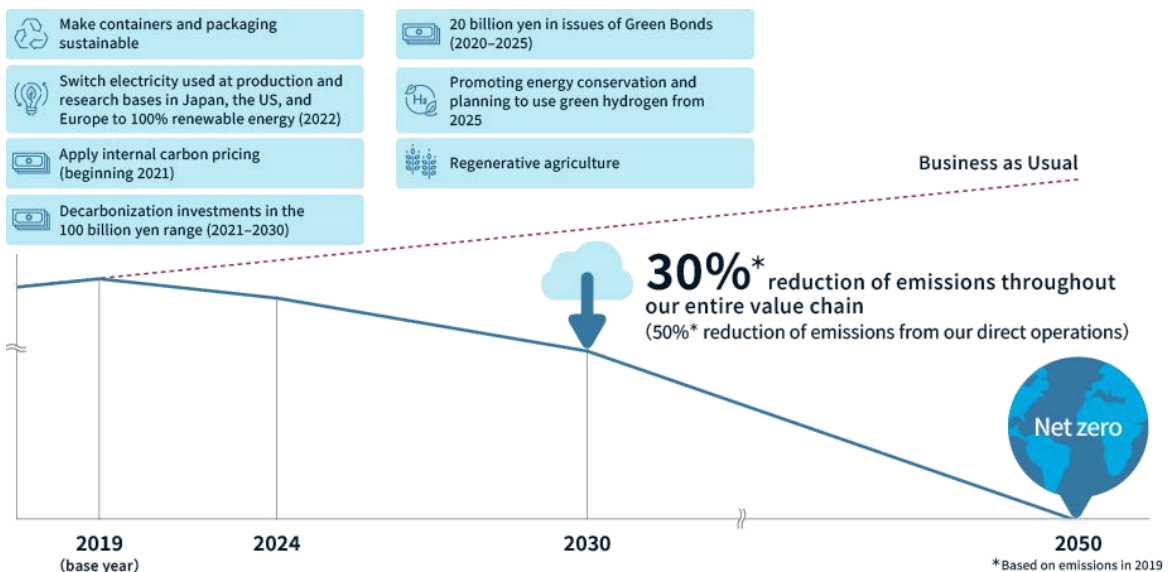
- **13%** reduction compared to 2019

\*<sup>1</sup> Based on emissions in 2019.

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

➤ For more information on GHG emissions achievements, see the [List of achievements data](#).

#### Road Map to Net Zero





## Our Initiatives

### Decarbonization Investments to Achieve Environmental Targets toward 2030

Suntory Group plans to invest approximately 100 billion yen from 2021 to 2030 to promote decarbonization. This investment is expected to reduce GHG emissions by about 1 million tons by 2030.

Furthermore, without sufficient decarbonization measures, it is estimated that additional costs of up to about 9.5 billion yen by 2030 and about 35 billion yen by 2050 could be incurred due to the introduction or strengthening of carbon taxes in various countries. To mitigate these financial risks, we are pursuing a strategy of investing in decarbonization and utilizing internal carbon pricing to achieve the reduction targets set out in our Environmental Targets toward 2030 in order to avoid the risk of mid- to long-term cost increases.

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

#### Internal Carbon Pricing

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

##### <ICP Summary of Suntory Group>

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

#### Initiatives in Production and R&D

##### Use of Renewable Energy

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

In addition to procured power, we are actively installing solar panels and introducing biomass boilers to generate renewable energy in-house.

\* Based on power procured, 2023



Suntory Minami Alps Hakushu  
Water Plant



Suntory Kita Alps Shinano-no-Mori  
Water Plant



Carcagente Plant (Spain)



Biomass boiler  
(Chita Distillery)



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

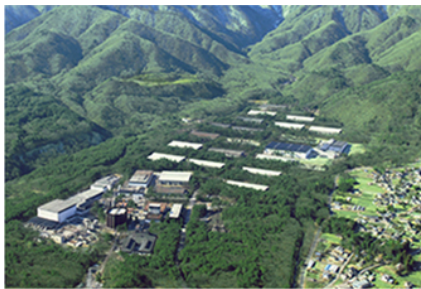


Fred B. Noe Craft Distillery  
(Suntory Global Spirits, North America)

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

In September 2022, Suntory Holdings Ltd. signed a basic agreement with Yamanashi Prefecture to realize an environmentally harmonious and sustainable society. Suntory aims to install a 16-megawatt P2G system, Japan's largest, at the Suntory Minami Alps Hakushu Water Plant and Suntory Hakushu Distillery by 2025. The system will utilize electricity derived from solar power and other renewable energy sources, making it capable of producing “green hydrogen,” which does not emit CO<sub>2</sub> during the hydrogen production process.

The green hydrogen produced will be used as fuel for heat energy at our Hakushu facilities. Additionally, we plan to explore and implement the utilization in the surrounding communities in collaboration with Yamanashi Prefecture.



Suntory Minami Alps  
Hakushu Water Plant and  
Suntory Hakushu Distillery



P2G system

### Promoting Energy Conservation

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



Gunma Brewery



Suntory World Research Center



Snow room at Suntory Okudaisen Bunanomori  
Water Plant

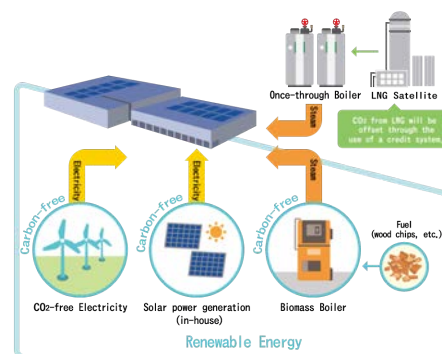
## Suntory Group's First Net-Zero CO<sub>2</sub> Emissions Plant in Japan

The Suntory Kita Alps Shinano-no-Mori Water Plant (Omachi City, Nagano Prefecture) which started operation in May 2021 as a fourth water source for Suntory Tennensui (Mineral Water,) became Suntory Group's first net-zero CO<sub>2</sub> emissions plant in Japan through adoption of solar power generation facilities and boilers which use biomass fuel, electric power procurement derived from renewable energy as well as offsetting.

Suntory Kita Alps Shinano-no-Mori Water Plant has achieved carbon neutrality and is the first non-alcoholic beverage factory in Japan to acquire ISO 14068-1, an international standard.

➤ [ISO 14068-1 Carbon Neutrality Report Executive Summary \(in Japanese\) \(549KB\)](#) 

➤ [ISO 14068-1 Carbon Neutrality Report \(in Japanese\) \(1.9MB\)](#) 



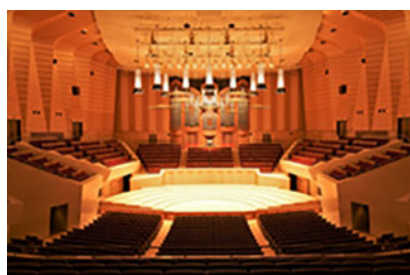
## Initiatives in Offices and Other Facilities

### Actions in the Offices

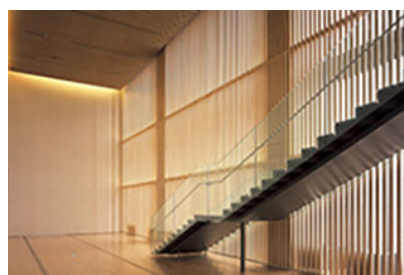
Our major offices purchase 100% renewable electricity. In addition, various initiatives are carried out by all employees daily with higher awareness on saving energy in each office. The Odaiba Office in Tokyo installs use of reused water, automatic lighting control system, and human detection sensors for lights in toilets and escalators. Greenhouse gas (GHG) emission reductions are being promoted in each office through Cool Biz and Warm Biz campaigns and proactive use of web conferencing.

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

Purchased energy at Suntory Hall and Suntory Museum of Art is 100% renewable energy. Through these efforts, the two facilities have been able to reduce CO<sub>2</sub> emissions by approximately 900 tons per year compared to the past.



Suntory Hall



Suntory Museum of Art

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

### Supplier Engagement

#### Data Gathering, Goal Setting, and Sharing Best Practices

Suntory Group holds annual policy briefings for its principal business partners, including raw material suppliers, contract manufacturers, and logistics partners, to promote awareness of and support for sustainability initiatives. In addition, through presentations to explain Group initiatives and the use of surveys, we monitor the status of CO<sub>2</sub> emission reduction targets set by major business partners and are considering policies for future procurement initiatives.



We are also working with our suppliers to decarbonize the value chain throughout the Group. Each year, we hold GHG reduction policy briefing sessions for our major suppliers of packaging materials and raw ingredients to share the Group's policies and to support the formulation of reduction plans and the introduction of renewable energy at each company. We are accelerating the reduction of Scope 3 emissions through collaboration with such business partners.

## Raw Ingredient-related Initiatives

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

\* IPCC 5th Report WG3 SPM

### Barley

To reduce GHG emissions originating from raw ingredients, Suntory Group is collaborating with malt supplier Muntons, agricultural consulting firm Future Food Solutions, and barley farmers to implement a range of initiatives in a project to procure barley for malting produced through regenerative agriculture\*<sup>1</sup> in the United Kingdom. Through agricultural approaches such as the use of cover crops\*<sup>2</sup> and no-till farming, the project hopes to reduce GHG emissions from agriculture by 50% within five years while regenerating soil biodiversity, enhancing soil fertility, reducing chemical fertilizer and pesticide use, and using water more effectively.



\*<sup>1</sup> Agricultural methods that focus on enhancing soil fertility by regenerating its ecosystem to make crop production sustainable

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

### Green Tea

To promote sustainable tea leaf procurement, the raw material for green tea beverages, Suntory Group has launched a long-term initiative in collaboration with tea farming areas. By working with the Kuma Regional Agricultural Cooperative (JA Kuma) to introduce environmentally friendly tea farming processes, we have reduced GHG emissions by over 30%\* compared to conventional processes.

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



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

### Blackcurrant

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



### Wine Grapes

In collaboration with the University of Yamanashi, Suntory Tominooka Winery has introduced a new, secondary-shoot cultivation technique for wine grapes. The daily temperature range normally begins to expand as nighttime temperatures start to drop around mid-July, causing the sugar content of grapes to increase as they ripen. However, climate warming has recently slowed the ripening process. In secondary-shoot

cultivation, the tips of shoots that sprout in April are trimmed, and the resulting side shoots are nurtured. This shifts the start of ripening from mid-July to early September, when temperatures start to drop, and grapes are harvested in mid-November.

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



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

### Initiatives in Containers and Packaging

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Suntory Group aims to eliminate the use of virgin petroleum-based materials in PET bottles by switching to 100% recycled or bio-based derived materials for all PET bottles used by the Group by 2030. We are conducting activities based on our unique 2R+B (Reduce, Recycle + Bio) strategy to reduce the amount of plastic used by reducing the weight of containers (Reduce), recycling containers for use as a resource (Recycle), and using bio-based material (Bio). The development of weight reduction and recycling technologies has produced a reduction in CO<sub>2</sub> emissions. In particular, in Japan, “bottle-to-bottle” horizontal recycling\*1 allows PET bottles to be recycled multiple times as a resource, reducing CO<sub>2</sub> emissions by approximately 60%\*2 relative to manufacturing PET bottles from virgin petroleum-based materials. As of May 31, 2024, our use of virgin petroleum-based materials was 300,000 tons less than it would have been had we not utilized horizontal recycling.

\*1 Recycling used PET bottles into new PET bottles

\*2 Processes from used PET bottles to the preform production

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

### Initiatives in Logistics

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Suntory Group is working to reduce the environmental impact of our logistics operations, including transport and delivery operations and warehouse operations.

We are working to shorten transport and delivery distances traveled from plants to customers by promoting local production for local consumption, maximizing utilization of large vehicle load capacity, and switching to next-generation fuels and transport modes with lower GHG emission levels.

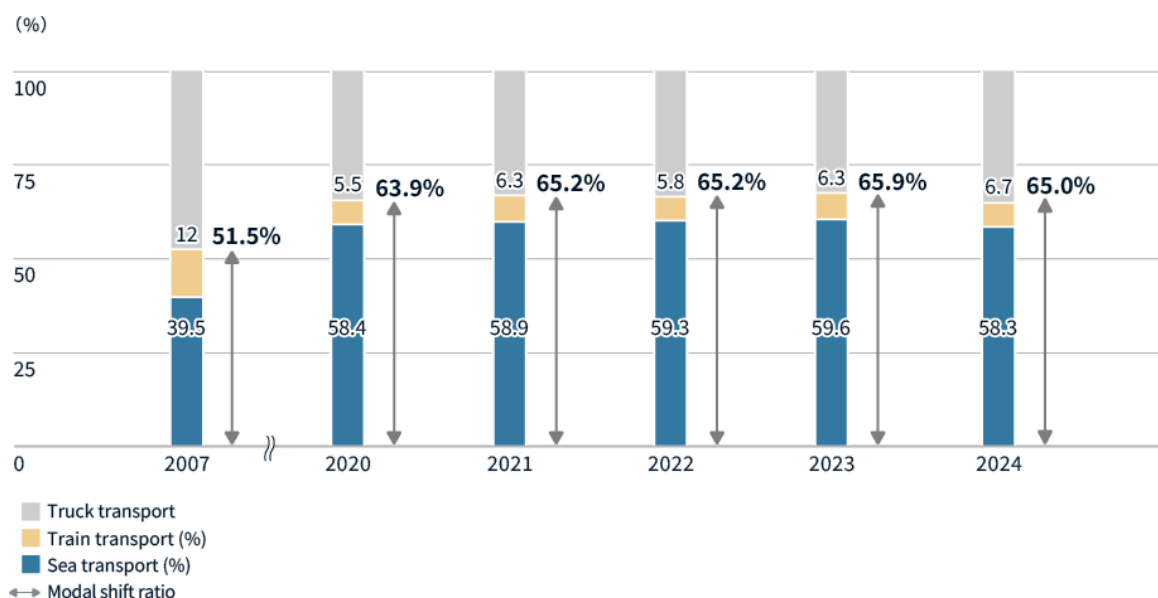
In warehouse operations, we are working to shorten operating hours and reduce power consumption.

During 2024, sales (KL) are 100% of the previous year. GHG emissions are also 100% of the previous year at 158,000 [CO<sub>2</sub>-ton] while the basic unit was 22.5 CO<sub>2</sub>-ton/thousand KL sold.

#### Reducing GHG Emissions with a Modal Transport Shift

##### 1.Enhancing the modal shift rate

We are promoting a modal shift to rail and ocean transport, which emits less GHG than trucks. Even as we promote local production and consumption to reduce total transport distances, we have been able to maintain a high modal shift rate.



## 2.Enhancing usage of fuels with less GHG emissions

To encourage our transportation partners to use next-generation fuels that emit less GHGs than conventional fuels, we identified issues for expanded use in the future and are engaged in discussions for solving those issues. The next-generation fuels were introduced in 2022, and we used them at roughly the same levels in 2024.

➤ [For more information, see Introduction of Renewable Fuels in Truck Transport in Japan.](#) 📄

### Collaborative Efforts with Logistics Partners

To further reduce environmental impact, Suntory Group calculates GHG emissions based on data such as logistics partners' mileage, fuel consumption, and loading volume, and uses this information to formulate specific reduction measures. Through regular meetings, we collaborate by sharing examples of activities and exchange opinions to promote improvements. Our logistics partners are also working to obtain external certification for environmental management.

### Collaborative Efforts with Other Companies

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

Coordination	Description	Starting from	Results
NISSIN FOODS HOLDINGS CO.,LTD.	Joint transport in the Obihiro area of Hokkaido	June 2017	Approximate annual GHG reduction of 50 tons (Total figures for both companies)
4 major beer companies in Japan	Joint distribution in some areas of Hokkaido (Kushiro/Nemuro)	September 2017	Reduction of approximately 330 tons of GHG emissions per year (*Figures apply to all four beer companies)
4 major beer companies in Japan	Joint use of railways between Kansai/Chugoku area and Kyushu area	April 2018	Reduction of approximately 1,500 tons of GHG emissions per year (*Figures apply to all four beer companies)
4 major beer companies in Japan	Joint collection of beer pallets*1 ➤ <a href="#">*1 News Release</a> 📄	November 2018	Reduction of approximately 4,778 tons of GHG



			emissions per year (*Figures apply to all four beer companies)
Unicharm Corporation	Joint use of railway containers between Shizuoka area and Fukuoka area	February 2021	Reduction of approximately 2 tons of GHG emissions per year (*Total figures for both companies)
Daio Logistics Co., Ltd.	Joint Kanto-Kansai transport	August 2022	Approximate annual GHG reduction of 115 tons (*Two-company total)
Daio Logistics Co., Ltd.	Parties share one-way rail containers* <sup>2</sup> <a href="#">▶ *2 News Release</a>	August 2022	Approximate annual GHG reduction of 100 tons
Daio Logistics Co., Ltd.	Railroad Container Round-trip Utilization between Kanto and Shikoku	June 2023	Approximate annual GHG reduction of 31 tons
Japan Freight Liner Company	Utilization of ocean 40ft containers for return trips	July 2023	Approximate annual GHG reduction of 89 tons
Unicharm Corporation	Round-trip transport using the relay method	April 2024	Annual GHG reduction of 223 tons (figures for both companies combined)
Daikin Industries, Ltd.	Round-trip transport using double-articulated trucks* <sup>3</sup> <a href="#">▶ *3 News Release</a>	July 2024	Annual GHG reduction of 68 tons (figures for both companies combined)

### Reducing Environmental Impact of Sales Vehicles and Vehicle Accidents

We are proactively saving energy by replacing most of the vehicles used in our sales activities with hybrid vehicles. In addition, by introducing vehicle operation management systems and drive recorders that can acquire driving data such as driving distance, driving behavior, and fuel efficiency in sales vehicles. We promote safe driving and eco-driving by feeding back the result of the analysis of collected data.

### Energy Conservation in Vending Machines

Suntory Group is implementing various initiatives to promote energy conservation in vending machines for our domestic businesses to reduce GHG across the value chain.

## Key Features of Suntory Vending Machines

### Heat-pump Function

This allows to recycle the heat generated in the cooling chamber for the heating chamber.

### Peak-cut feature

Cuts cooling for a fixed period of time to help balance power usage during peak hours, up to a maximum of 11 hours, in summer.

### Vacuum Heat Insulation

Improves energy efficiency to prevent loss of heating and cooling.

### Zone Heating and Cooling

Reduces power consumption through heating and cooling products just prior to actual sales.

### Promoting a 24-hour Lights Out

With indoor vending machines having a 24-hour "Lights Out" rule and outdoor machines having no lighting during daytime hours, this has resulted in a reduction of approximately 65% in electricity now compared to 2007.



### Smart Energy-Saving Feature

Determines sales quantities and temperature of products, reduces power consumption accordingly.

### LED Illumination

Uses LED lighting for reduced power consumption.

### Dimmer Function

Incorporates light dimmer that reduces brightness by 50%.

### Fluorocarbon measures

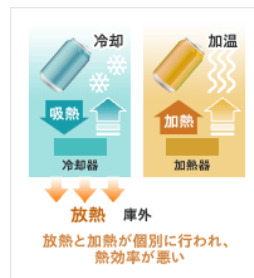
Use of coolants (CO2,R-1234YF) minimizing global warming to prevent destruction of the ozone layer.

### Initiatives to Reuse Vending Machine Parts

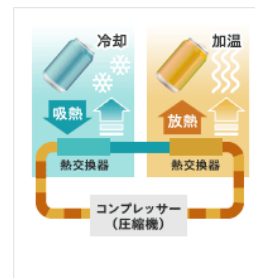
In order to make use of parts retrieved from retired vending machines, Suntory has been working to develop both the technologies to reuse parts as well as a control system for stock of reuse parts.

## What is a Heat-Pump Vending Machine?

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



Vending machines prior to heat-pump type



Heat-pump vending machine

## Introduction of Carbon-Offset Vending Machines with Net-Zero GHG Emissions

In September 2024, we began rolling out carbon-offset vending machines that achieve net-zero GHG emissions. By acquiring a FIT Non-Fossil Certificate\* equivalent to the annual electricity consumption required for operation, a carbon-offset vending machine is deemed to have used electricity derived from renewable energy, making it possible to offset the machine's GHG emissions. POP displays on the vending machines that state "FIT Non-Fossil Certificate Obtained" and "Net Zero Greenhouse Gas Emission" emphasize that the vending machine contributes to reduced environmental impact on the planet.

\* Certificate for renewable energy sources such as solar, wind, small hydroelectric and biomass that are subject to FIT (Feed-in Tariff) schemes.

## Ensuring Reasonable Waste Disposal of Vending Machines

We are leading the industry in building a Vending Machine Waste Disposal System that collects and recycles vending machines to throw away, which we have expanded nationally since January 1997. We are strictly managing disposal from the initial selection of vending machines to

discard to the final disposal in compliance with the revisions to the Wastes Disposal and Public Cleansing Act in April 2001. We are properly processing broken machines by understanding the amount of machines to collect based on the Act for Rationalized Use and Proper Management of Fluorocarbons even in regards to the fluorocarbons that are used as a refrigerant in vending machines.

## Strategies for Adapting to Global Warming

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

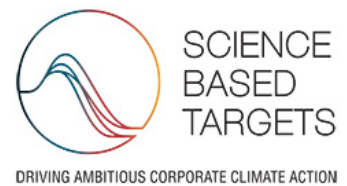
\* The Ministry of Health, Labour and Welfare's recommended salt equivalent for beverages to prevent heat stroke is 0.1 g to 0.2 g/100 ml.

## Participation in Initiatives

### SBT Initiative Certification

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

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



The 1.5°C target is a science-based target to limit the increase in global average temperature to 1.5°C above pre-industrial levels.

\*<sup>1</sup> The SBTi is an international initiative jointly established by the United Nations Global Compact (UNGC), CDP (a coalition of institutional investors that promotes disclosure of information on climate change measures), World Resources Institute (WRI), and World Wide Fund for Nature (WWF). It drives ambitious climate action in the private sector by enabling companies to set science-based emissions reduction targets.

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

➤ [SCIENCE BASED TARGETS](#) 

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

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



Based on the TCFD's recommendations, we conducted scenario analysis for climate change, identifying the risks and opportunities it poses to our business and estimating the potential financial impacts. We will continue to enhance the disclosure of related information going forward.

\* Abbreviation for the Task Force on Climate-related Financial Disclosures

➤ [For more information, see Disclosure Based on TNFD & TCFD.](#)

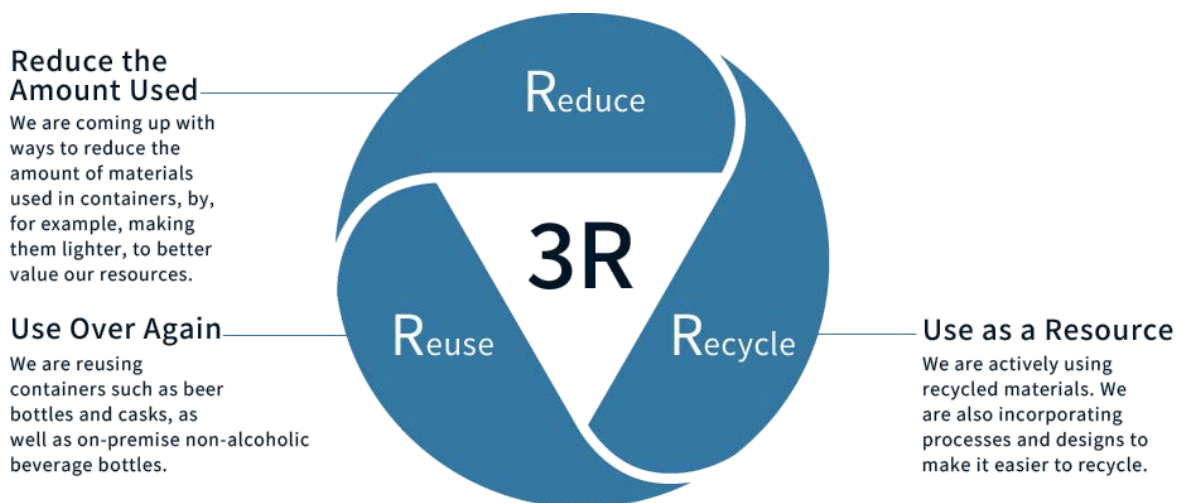
# Packaging & Resource Efficiency

## Our Policies and Approach

Suntory Group is committed to promoting the realization of a circular society by collaborating with diverse stakeholders to find solutions to various challenges. All Suntory Group employees strive to act responsibly, taking the lead in creating a sustainable future. Containers and packaging protect and preserve the quality of products until they reach customers. However, much of this packaging used to become waste after consumption. Recognizing the significant social impact of containers and packaging, Suntory Group established our own “Guidelines for the Environmental Design of Containers and Packaging” in 1997. These guidelines ensure that designs, including label materials and glass bottle colors, are developed with recyclability in mind. Additionally, the Group is committed to reducing the environmental impact of containers and packaging from a Life Cycle Assessment (LCA) perspective.

### 3Rs of Containers and Packaging

Under the 3R principles of Reduce, Reuse, and Recycle, Suntory Group develops containers and packaging with environmental considerations. We focus on user-friendly designs that consider actions from consumption to sorting of empty containers. Our efforts include reducing weight, adopting materials that lessen environmental impact, and designing for easier recycling.



### 2R+B Strategy

For PET bottles, we are committed to maximizing resource efficiency by reducing resin usage and incorporating recycled materials. We aim to replace virgin petroleum-based materials with renewable alternatives to the extent possible. This approach is guided by Suntory Group's unique 2R+B (Reduce, Recycle + Bio) strategy.

# 2R+B\*



## Reduce

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



## Recycle

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



## Bio

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

# Sustainability × Usability

\*2R+B is a registered trademark

## Promoting Structure

### Global Sustainability Committee

Suntory Group has established a system for promoting environmental management centered on the Global Sustainability Committee (GSC). Under the supervision of the Chief Sustainability Officer, GSC formulates strategies related to the 7 key themes of sustainability, which include water, climate action, raw ingredients, containers and packaging, health, human rights, and lifestyle culture. GSC also oversees the progress of these strategies and analyzes the business risks and growth opportunities, reporting to the Board of Directors on a quarterly basis.

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

## Targets and Progress

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

### Use of Sustainable Materials in PET Bottles\*

► **Targets Toward 2030**  
Percentage of sustainable materials used in PET bottles globally

**100%**



► **2024 Results**  
Percentage of sustainable materials used in PET bottles globally

**35%**

(**58%** sustainable materials used in PET bottles in Suntory's soft drink business in Japan)

# Our Initiatives

## Initiatives for Plastic

While plastic products have enriched our lives through their utility, improper handling after use has led to environmental impacts, becoming a significant social issue. In Japan, the Ministry of the Environment has formulated the “Plastic Resource Recycling Strategy” as a strategy to comprehensively promote resource recycling while recognizing the convenience of plastic products.

Suntory Group also established the Plastic Policy in 2019 to strongly lead the transformation toward a circular and net-zero society, focusing on PET bottle containers through the 2R+B (Reduce, Recycle + Bio) strategy. In line with this Policy, Suntory Group aims to make all PET bottles used globally 100% sustainable, using only recycled or bio-based materials by 2030, thereby eliminating the use of virgin petroleum-based materials.

### Suntory Group Plastic Policy

Expressing gratitude toward the gifts of nature that are the source of our products, Suntory Group is firmly committed to leading the transformation towards a circular and net-zero society, fostering a world where diverse life thrives harmoniously.

While plastics offer numerous benefits due to their utility, we aim to ensure that the plastic containers and packaging we use maintain their useful functions without negatively impacting the global environment. Together with various stakeholders, we are actively pursuing solutions to these challenges. Additionally, each employee within the Suntory Group is encouraged to act responsibly, taking the lead in creating a sustainable society.

#### 1. Recycle & Renewable:

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

#### 2. Reduce & Replacement:

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

#### 3. Innovation:

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

#### 4. New Behavior:

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

## Reduce: Lightweighting

For approximately 20 years, Suntory Group has been working to reduce the weight and thickness of PET bottles, caps, and labels. We strive to effectively use resources while maintaining and improving quality at the point of consumption (quality of contents and ease of bottle use).

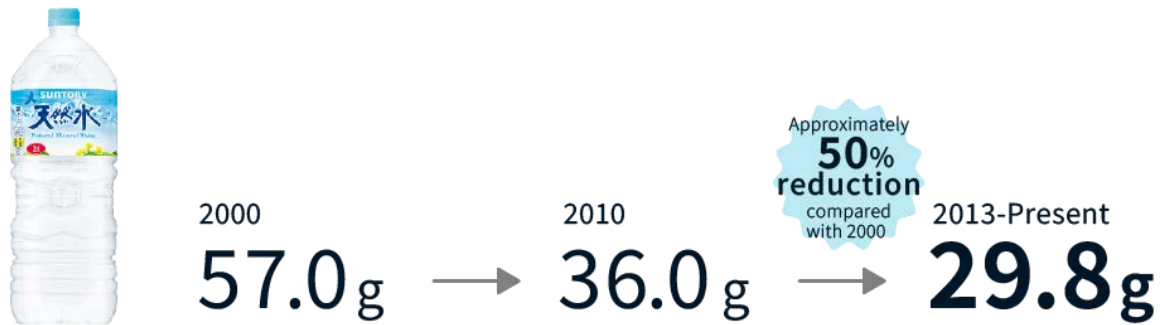
### Change in Weight of 550mL Suntory Tennensui PET Bottles\*1



\*1 500-mL capacity through 2009



## Change in Weight of 2L Suntory Tennensui PET Bottles



➤ For more information, see [Reduce: Lightweighting](#)

## <Efforts Focused on Achieving 100% Sustainable PET Bottles by 2030> Recycle: Promotion of "Bottle to Bottle" Horizontal Recycling

As the next step after lightweighting, and as a core activity toward achieving the 2030 goal of 100% sustainable PET bottles, is the "bottle-to-bottle" horizontal recycling process, where used PET bottles are transformed into new ones.

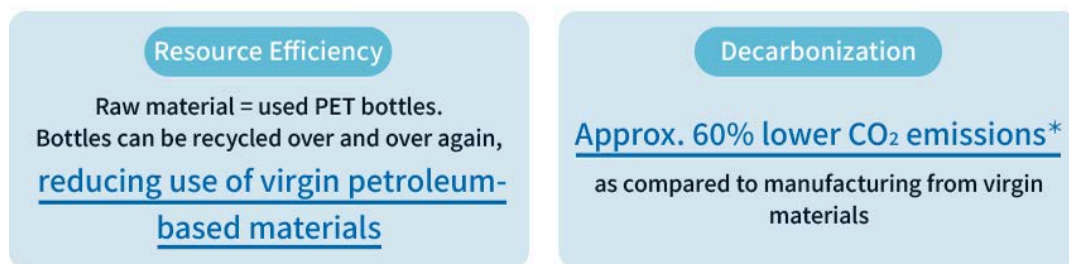
Starting with the introduction of 100% recycled PET bottle\* in 2012—the first in Japan's soft drink industry—we have been advancing "bottle-to-bottle" horizontal recycling. We also developed the world's first "FtoP direct recycling technology,"<sup>\*2</sup> which reduces CO<sub>2</sub> emissions compared to conventional methods.

\*1 Mechanical recycling

\*2 Joint development among 4 companies including Kyoei Sangyo Co., Ltd



## Contributing to resource efficiency and decarbonization



\* Processes from used PET bottles to the preform production

➤ For more information, see [Recycle: "Bottle to Bottle" Horizontal Recycling](#)

## <Efforts Focused on Achieving 100% Sustainable PET Bottles by 2030> Bio: PET Bottles Using Bio-based Material

To achieve 100% sustainable PET bottles, Suntory Group prioritizes "bottle-to-bottle" horizontal recycling for its low environmental impact, aiming to repeatedly circulate PET bottles as resources in a sustainable society. However, in the broader beverage market, new resources are needed for recycling into products other than PET bottles and to accommodate market growth. Consequently, alongside promoting "bottle-to-bottle" recycling, we are developing bio-based PET bottles to supplement the shortage of recycled materials. In 2013, we introduced PET bottles with 30% plant-based materials for "Suntory Natural

Water" in the 550ml size, and since 2023, this has been expanded to all 2L bottles as well. In 2013, we introduced PET bottles with 30% plant-based materials for Suntory Tennensui (mineral water) 550-mL PET bottles, and since 2023, this has been expanded to all 2L bottles as well.



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

Suntory Group and the U.S. biotech venture Anellotech are collaborating on the development of 100% plant-based PET bottles. In 2019, the team succeeded in producing "paraxylene," a precursor that constitutes 70% of PET bottle material, from non-food plant-based sources (wood chips) that do not impact the food supply chain. By 2021, the team successfully developed prototypes of 100% plant-based PET bottles using this technology, marking a significant step toward commercializing PET bottles made entirely from plant-based materials without affecting the food supply chain.

\* Excluding some products for vending machines

## Collaboration with Stakeholders

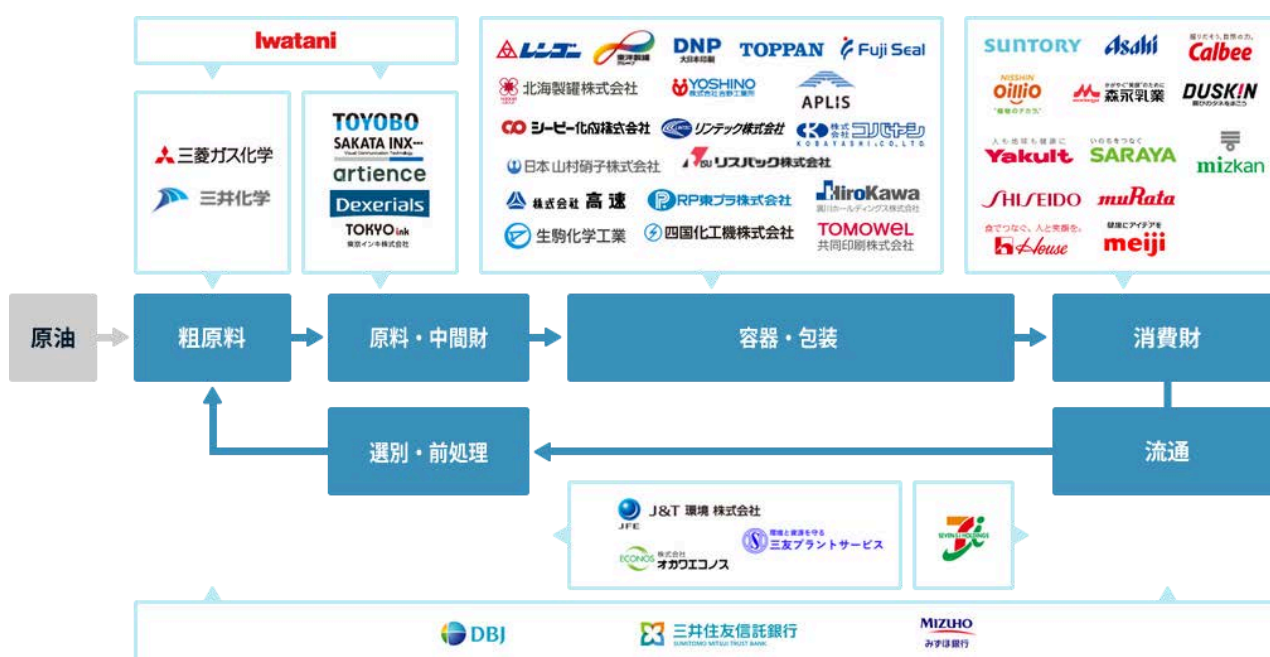
### Initiatives for Recycling Used Plastic

R Plus Japan Ltd. was established as a joint venture by 12 companies (including Suntory Group) across the value chain for the purpose of contributing to resolving plastic-related challenges and achieving a sustainable society. Operations began in June 2020, and as of March 2025, the initiative has expanded to include 48 companies and is working with Anellotech to develop technologies to recycle used plastics to be recycled efficiently.

Currently in Japan, it is said that many plastics other than PET bottles are incinerated\*. This new technology involves chemical recycling that directly converts general plastics, including PET bottles, back into basic chemicals (such as benzene, toluene, xylene, ethylene, and propylene) that serve as raw materials for plastics. This process requires fewer steps than traditional chemical recycling methods that go through an oilification process, helping to reduce CO<sub>2</sub> emissions and energy consumption. We expect that once established, this technology will allow for more efficient recycling of a larger amount of used plastics.

R Plus Japan aims to address global plastic issues by developing technology and implementing it socially through cross-industry collaboration.

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



➤ For more information, visit the R Plus Japan website [R Plus Japan website](#)

## Social Activities

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

Suntory PepsiCo Vietnam Beverages in Vietnam conducted a beach cleanup near Hanoi in cooperation with Ocean Conservancy, a global marine nature conservation organization, with employees and their families.



## Alliance Membership

### Clean Ocean Materials Alliance (CLOMA)

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

### Global Plastic Action Partnership (GPAP)

In 2019, Suntory Group joined the Global Plastic Action Partnership (GPAP), a global alliance dedicated to solving environmental challenges caused by plastics.

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

### WWF Japan's Plastic Circular Challenge 2025\*

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

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

## Cans/Bottles/Barrels/Paper Packaging/Cardboard

### Reduce: Lightweighting

#### Lightweighting in Cans

We are furthering the lightweighting of cans such as those used for beer and coffee, aiming to minimize resource usage while maintaining the usability for customers.

Initiatives for aluminum cans include reducing the lid diameter of beer cans in 2008 and thinning the body of beer and chu-hi cans in 2014. In addition, we have implemented thinner bodies for steel coffee cans, steadily advancing our efforts in lightweighting.



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

#### Lightweighting of Glass Bottles

In 2014, the medium glass bottle of The Premium Malt's was lightened by approximately 10g, bringing its weight down to 460g. The body of the bottle where the label is applied was indented by 0.2 to 0.3 mm to

prevent scratches when bottles collide. Furthermore, we have improved the design to minimize chipping when opened with a bottle opener, enhancing the overall quality of the bottle.



The Premium Malt's medium glass bottle

## Reducing the Weight of Cardboard

Suntory Group is working to reduce the environmental impact of beverage cartons by using short-flap cardboard cartons in cooperation with the industry. We began using these cartons in 2012 for non-alcoholic beverages in small PET bottles, achieving about a 20% reduction in paper use compared to traditional cartons. Short flap cardboard cartons have been used for beer and RTD products since 2019.



Short flap cardboard cartons that reduce cardboard usage on its sides

## Reuse: Promoting Collection and Reuse of Containers

### Reusing Glass Bottles and Barrels

In Japan, returnable containers, such as bottles and kegs, are widely used for beer and soft drinks intended for restaurants, and these are collected, cleaned, and reused through our own channels. Additionally, for glass bottles disposed of by liquor stores and restaurants, we established a dedicated collection route through specialist contractors in 1974, supporting collection through distribution channels. For one-way bottles, we utilize the effective sorting and collection routes provided by local municipalities.

Suntory Beverage & Food is retrieving certain glass bottles of the Schweppes and Orangina brands from restaurants and bars in Spain and France, where they are then washed and refilled.

## Recycle: Promoting Container Recycling

### The World's First 100% Recycled Aluminum Can

Suntory Spirits Ltd. launched the world's first 100% recycled aluminum can<sup>\*1</sup> in its limited editions of The Premium Malt's CO<sub>2</sub> Reduction Can (350 mL, 5.5% ABV) and The Premium Malt's 〈Kaoru〉 Ale CO<sub>2</sub> Reduction Can (350 mL, 6% ABV) in 2022. This first of its kind 100% recycled aluminum can<sup>\*1</sup> was jointly developed by UACJ Corporation and Toyo Seikan Group Holdings, Ltd. and emits 60% less CO<sub>2</sub> compared to when creating a regular aluminum can<sup>\*2</sup>.



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

<sup>\*2</sup> 350 mL beverage aluminum can produced by Toyo Seikan using UACJ aluminum material

### First Adoption of Low-Environmental-Impact Can Lids "EcoEnd™" for Beer Products

We have adopted "EcoEnd™" can lids, which emit approximately 40%<sup>\*1</sup> less greenhouse gases (GHG) during manufacturing, for some of our beer products. The production of new aluminum ingots uses large amounts of electricity, resulting in a larger GHG footprint and environmental impact than recycled aluminum. EcoEnd™ reduces the use of new aluminum ingots by 41% by increasing the percentage of recycled raw materials<sup>\*2</sup> to 75% through adjusting the post-melting composition and developing manufacturing techniques. With these lids, we have been able to reduce GHG emissions by approximately 40% while ensuring the same quality as conventional beverage can lids.



<sup>\*1</sup> Compared with Toyo Seikan Co., Ltd. conventional products. Reduction per lid.



\*2 GHG emissions are 3% of new aluminum ingots.

## Shifting to Recycled Paper Containers

Conventional paper containers for alcoholic beverages have an aluminum-metallized coating inside to preserve product quality. However, separating the paper and aluminum for recycling has been difficult. New paper containers have improved recyclability through the use of non-aluminum transparent barrier coatings.

We have adopted highly recyclable paper containers for shochu, spirits, and wine. As of April 2024, we have switched approximately 90% of conventional paper containers for alcoholic beverages to the new containers.



Suntory Umeshu  
Delica Maison

## Introduction of Cans Using Green Aluminum\*1

In January 2024 Suntory Spirits Ltd. introduced Green Aluminum\*1 in its limited edition of The Premium Malt's (350ml, 5.5% ABV). The Green Aluminum used in this product was designed and produced in a joint effort among 4 other companies from different fields; Sumitomo Corporation, Sumisho Metalex Corporation, Kobe Steel, Ltd. and Daiwa Can Company. The Green Aluminum was allocated using a mass balance\*2 method, and reduced CO<sub>2</sub> emissions by 25%\*3 compared to conventional aluminum cans\*4.

\*1 Aluminum produced using renewable energy sources with reduced CO<sub>2</sub> emissions

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

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

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



The Premium Malt's 350ml

## Use of FSC®-Certified Cardboard

Suntory Group is adopts FSC-certified\* paper packaging materials for its domestically produced products. For the beverage business, we completed the switch to FSC-certified cardboard packaging for all Suntory Tennensui (Mineral Water) brand products in 2018. For the alcoholic beverage business, we have adopted the use of FSC-certified cardboard packaging and six-pack paper packaging, and promote the use of FSC-certified paper packaging throughout the Group.



\* Forest Stewardship Council (FSC) is an international organization that certifies timber produced from forests globally as well as the distribution and manufacturing processes of the cut timber. We are creating a mechanism for consumers to support responsible forest management by identifying wood produced from responsible forest management and their associated products, and delivering those products to consumers. This certification considers the environmental conservation of these forests and recognizes timber produced in an economical and sustainable manner which generates revenue for the local community.

# Overview of Waste Management

## Promoting Waste Reduction and Recycling

To contribute to the realization of a circular society, Suntory Group is working to reduce the output of by-products and waste and to achieve 100% resource recovery.

Suntory Beverage & Food Europe has set the target of zero waste from its factories and is engaging in waste-reduction and recycling activities.

With the target of reducing food waste from products by 50%, it is donating surplus products to charitable organizations to support people struggling with poverty as part of its efforts to achieve this target.

By-products and Waste Generation Performance

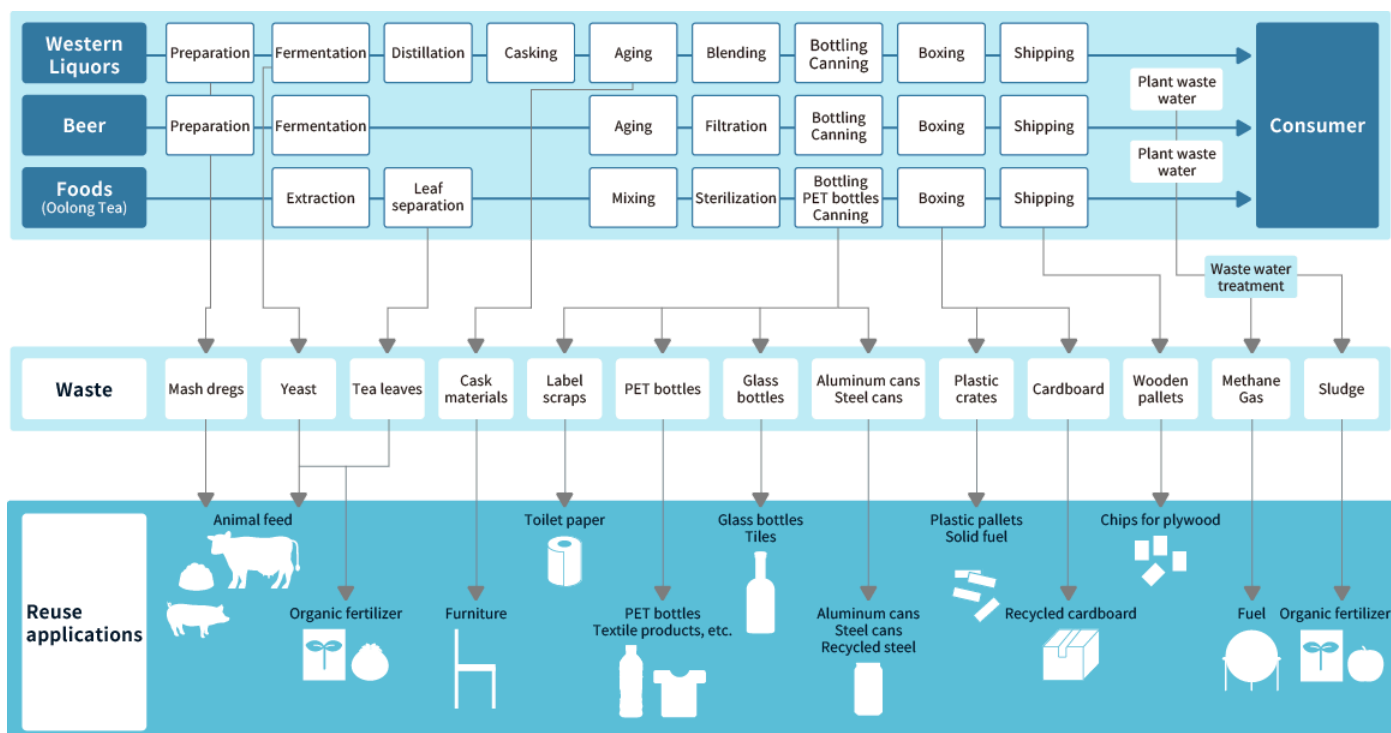
Area	Amount of discharge (thousand tons)		
	2022	2023	2024
Japan	230	271	251
Americas	541	427	301
Europe	144	166	139
Asia	54	32	32
Oceania	6	3	2
Africa	-	-	-
Total	975	900	724

\* Data covers 27 production plants in Japan and 52 production plants overseas.

Recycling Rate of Japanese Plants and Flow for Reuse of By-products and Waste Generated in Each Production Process

	2022	2023	2024
Amount of discharge (thousand ton)	230	271	251
Amount recycled (thousand ton)	230	271	245
Recycling rate (%)	100.0	99.9	97.8





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

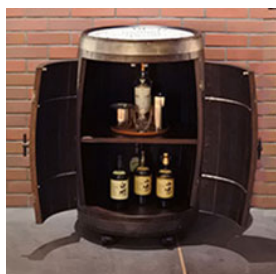
Type of waste	Main Purpose of Use	2022		2023		2024	
		Generation (t)	Recycling Rate (%)	Generation (t)	Recycling Rate (%)	Generation (t)	Recycling Rate (%)
Vegetable (glycation, tea, coffee dregs, etc.)	- Animal feed - Fertilizer	167,855	100	203,440	100	158,404	100
Sludge (excess sludge, etc.)	- Fertilizer	28,396	100	30,444	100	28,472	100
Wood waste (cask, palletes)	- Furniture materials - Plywood raw materials	3,658	100	4,243	98	3,993	98
Glass and ceramic scrap	- Glass materials - Base course material	1,172	100	1,224	100	1,281	100
Paper scraps (cardboards, paper labels, etc.)	- Recycled paper - Cardboard materials	5,735	100	5,671	100	5,660	100
Plastic	- Palette - Solid fuel -	5,810	100	6,036	100	5,838	100

	Supplementary fuel						
Metal scraps (aluminum, steel)	- Aluminum - Steel ingredients	3,123	100	3,033	100	2,693	100
Other		13,979	100	16,863	100	44,196	87
Total		229,728	100	270,953	100	250,537	98

\* Data covers 27 production plants in Japan

## Applications of Recycled Materials

The by-products and waste generated by Suntory Group are being resourcefully reused for various purposes.



Barrel cabinet



Dining Set "TARURU"



Drink sampling tray made from barrel

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

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

### Establishing a Circular Utilization Cycle for Food Waste – Izutsu Maisen Co., Ltd.

Izutsu Maisen Co., Ltd. is actively working to reduce and reuse food waste so as not to waste the precious gifts of nature. A symbolic effort in this regard is the establishment of a circular utilization cycle for bread crusts.

Izutsu Maisen cuts off the crusts of the bread when they make their popular fillet katsu sandwiches. These bread crusts are generally given to business operators who are able to recycle them as feed. Since 2012, recognizing that feed mixed with bread crusts is well-suited for pig cultivation, the company developed an original brand of pork called "Sweet Temptation." This pork is then used as a raw ingredient for tonkatsu and other products, thus creating a circular utilization system.



Original Amai-Yuwaku pork brand

## Reduce: Lightweighting

### Lightweighting of PET Bottles

The 550ml Suntory Tennensui (Mineral Water) PET bottle (excluding products for vending machines) was developed by Suntory and is the lightest such bottle made in Japan\* (11.9 g). Compared with PET bottles from 2000, bottle weight has been reduced by around 50%. Additionally, with 30% plant-based materials used, the usage of virgin petroleum-based materials has decreased by over 60% per bottle since 2000. Similarly, for the 2L bottles, bottle weight has been reduced by around 50% and includes 30% plant-based materials, achieving a reduction of virgin petroleum-based material usage by more than 60% per bottle compared to 2000.

\* PET bottles for mineral water (500 ml to 600 ml) in Japan. As of April 2025



### Change in Weight of 550ml Suntory Tennensui PET Bottles\*<sup>1</sup>



\*<sup>1</sup> 500-ml capacity through 2009

### Change in Weight of 2L Suntory Tennensui PET Bottles



### Thinnest Roll Label\*<sup>1</sup> for PET Bottle Beverages in Japan

We are also working to reduce environmental impact by thinning the labels on PET bottle products. We achieved the thinnest PET bottle roll label in Japan at 16  $\mu\text{m}$ \*<sup>2</sup> in 2012. We are using an even thinner label of 12  $\mu\text{m}$  for the 2L and 550ml PET bottles of Suntory Tennensui in 2014 and now use these labels on all our products with roll labels. This has allowed us to reduce CO<sub>2</sub> emissions by 25%\*<sup>3</sup> compared to the conventional (16  $\mu\text{m}$ ) labels.

\*<sup>1</sup> Labels that peel off from the glued area instead of peeling off at the perforations

\*<sup>2</sup> 1/1,000 mm

\*<sup>3</sup> Reduction rate in the film (label) manufacturing process



Japan's thinnest roll label at 12 $\mu\text{m}$  thickness

## Introduction of water-based flexographic printing and water-developed flexo plates to reduce CO<sub>2</sub> emissions during label manufacturing

Suntory Group is advancing the transition to water-based flexographic printing for the manufacturing of labels for a wide range of products, including Suntory Green Tea Iyemon, Suntory Tennensui, Suntory Oolong Tea, GREEN DA·KA·RA, and GREEN DA·KA·RA Barley Tea, reducing CO<sub>2</sub> emissions during label production by more than half compared to traditional oil-based gravure printing. Moreover, in 2024, the water-developed flexo plates, which can reduce CO<sub>2</sub> emissions by about 30% during label plate production, were introduced for the first time<sup>\*1</sup> in the domestic beverage industry for the labels of Suntory Tennensui 550ml PET bottles manufactured at the Suntory Kyushu Kumamoto Plant.

\*1: Based on our research

## Lightest PET Bottle Caps in Japan

We are also reducing the environmental impact of our PET bottle caps. Since 2016, we have adopted 1.85g bottle caps, which are the lightest in Japan<sup>\*1</sup> and use 30% plant-based material, for Suntory Tennensui. This innovation reduces the use of petroleum-based material by around 35%<sup>\*2</sup> and decreases CO<sub>2</sub> emissions by around 27% compared to conventional PET bottle caps. In addition, we use recycled pellets from used caps as part of seed pots for Suntory Flowers.

\*1 As of April 2025

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

## Development of PET Bottles in the Alcoholic Beverage Business

We are taking great advantage of the technology cultivated in our soft drink business in our alcoholic beverage business. Suntory Spirits Ltd. has launched the 4L PET bottle weighing 110g, which is the lightest in Japan, for whisky products such as Kakubin, Torys and other alcoholic products starting from June 2016. By making it up to 18% lighter than the conventional 134g or 120g, the use of PET resin is reduced, resulting in an annual CO<sub>2</sub> emissions reduction of approximately 460 tons(17%)\*. We have also removed the grip used on conventional PET bottles and adopted a new deep grip section in the center of the bottle for ease of use in collaboration with the PET bottle manufacturer.

\* Based on our calculations



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

## Development of World's Lightest\* Heat-resistant PET Bottle in Southeast Asia

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

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

\* In the 450-ml class of heat-resistant PET bottles (as of April 2025, according to our own research)



Lightest heat-resistant bottle with liquid nitrogen injection in Southeast Asia

## Introduction of In-house PET Bottle Production Technology at Suntory Global Spirits

Suntory Global Spirits introduced in-house bottle production technology for the first time for large 1.75L spirits bottles in 2017. This in-house production not only achieved a 14% reduction in bottle weight but also significantly improved transport efficiency by shifting from bottle transportation to preform transportation, greatly contributing to reducing environmental impact.

We introduced even lighter bottles in 2023, and reduced the bottle weight by approximately 26% compared to before the introduction of in-house production in 2017. We are also considering using this in-house bottle production technology to further development across other sizes, such as 100ml to 1L.

## Initiatives to Reduce Weight at Suntory Beverage & Food Europe

Suntory Beverage & Food Europe is also working on reducing the weight of other packaging materials such as cardboard and metal. In Spain, the company changed the structure of the cardboard ring used to bundle cans (from PremCollar to CanCollar), reducing the amount of

cardboard used by 231 tons and cutting annual CO<sub>2</sub> emissions by 226 tons. The 330ml steel can and 250ml can have also been changed to aluminum, achieving significant weight reduction.

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# Recycle: Promote “Bottle to Bottle” Horizontal Recycling

## Initiatives in Japan

### The Value of “Bottle to Bottle” Horizontal Recycling and Our Work to Achieve It

#### “Bottle to Bottle” Horizontal Recycling

“Bottle to bottle” horizontal recycling refers to recycling used PET bottles into new ones. PET bottles are resources that can be recycled many times, which can help reduce the use of virgin petroleum-based materials and CO<sub>2</sub> emissions. “Bottle to bottle” horizontal recycling through mechanical recycling\* is a recycling method with low environmental impact (in terms of CO<sub>2</sub> emissions during processes from raw material procurement to preform production).).

\* Mechanical recycling: A method in which recycled resin—obtained by crushing, washing, and otherwise processing used PET bottles into a raw material to be used for new PET bottles—is further processed under high temperature and reduced pressure for a certain period of time to remove impurities in the recycled material and make PET resin of suitable quality for beverage containers.



### Contributing to resource efficiency and decarbonization

#### Resource Efficiency

Raw material = used PET bottles.  
Bottles can be recycled over and over again,  
reducing use of virgin petroleum-based materials

#### Decarbonization

Approx. 60% lower CO<sub>2</sub> emissions\*  
as compared to manufacturing from virgin materials

\* Processes from used PET bottles to the preform production

#### Efforts to Create 100% Sustainable PET Bottles

For over a decade, Suntory Group has been pioneering efforts toward a sustainable society by collaborating with partner companies on horizontal recycling, transforming used PET bottles into new beverage bottles. In 2011, In collaboration with Kyoei Sangyo Co., Ltd., we established the Japanese soft drink industry's first “bottle to bottle” mechanical recycling system. The following year, in 2012, we launched the industry's first 100% recycled PET bottle\*<sup>1</sup>. This marked the beginning of a series of technological innovations, including the development of the world's first F-to-P direct recycling technology,\*<sup>2</sup> which reduces CO<sub>2</sub> emissions compared to conventional alternatives. With these and other initiatives, we have been furthering technological innovation and proactively commercializing and promoting “bottle to bottle” horizontal recycling over many years.

In 2019, we also established the Suntory Group Plastic Policy. In it, we set a target of achieving 100% sustainable PET bottles, switching all PET bottles used globally to 100% recycled or bio-based materials, eliminating the use of virgin petroleum-based materials by 2030. We are engaged in various initiatives to achieve this. By 2024, we expanded our use of sustainable materials (recycled or bio-based materials) to account, by weight, for 58% of all PET bottles for our soft drink business in Japan.



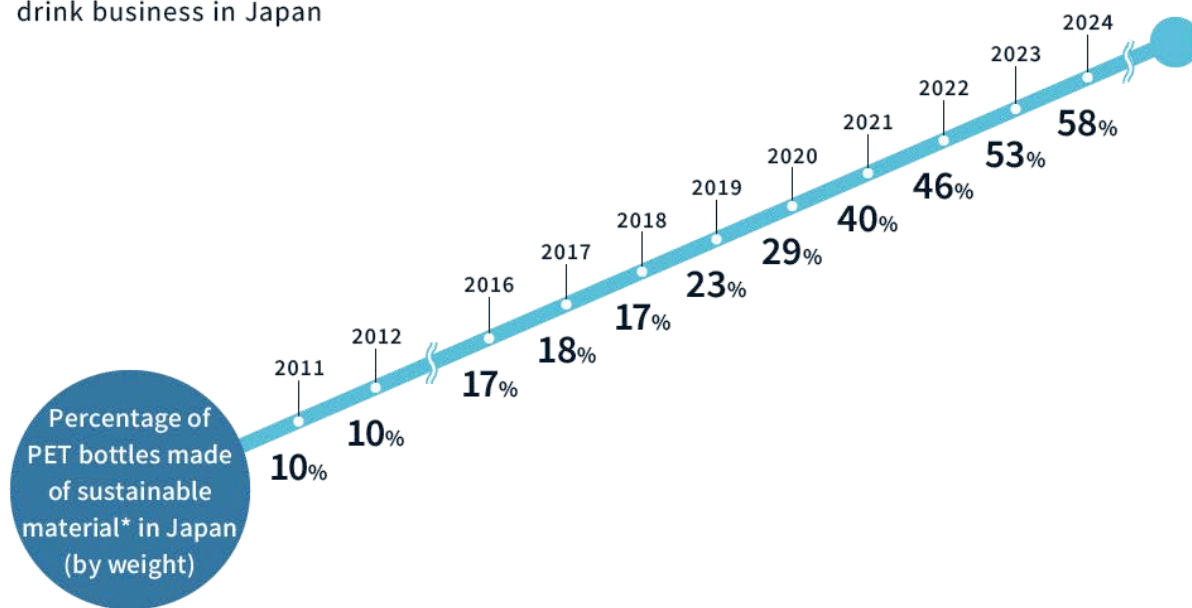
\*1 Mechanical recycling

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

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

Targets Toward 2030

100%



\*Recycled + Bio-based materials

#### Active Introduction of Recycled PET Bottles within the Group

To achieve our 2030 target of making our PET bottles 100% sustainable, we are moving forward with the adoption of recycled materials.

In Japan, we have introduced 100% recycled PET bottles for all GREEN DA-KA-RA Yasashii Mugicha (680ml, 600ml), Yasashii Rooibos (600ml), and Yasashii Corn-cha (600ml) products. Many of our other products, including Craft Boss and Iyemon, also use 100% recycled PET bottles. We have adopted the logo mark “Bottles are resources! Towards a Sustainable Bottle” on all PET bottled products\* to communicate to consumers that PET bottles are a resource that can be recycled many times. In addition to our efforts within our soft drink business in Japan, all of the 720ml PET bottles used in our wine business in Japan are now 100% recycled bottles. Going forward, we will continue to pursue these efforts Group-wide.

\* Excluding label-less products



Yasashii Mugicha 680ml  
Yasashii Rooibos 600ml  
Yasashii Corn-cha 600ml  
Delica Maison Red 720ml



Logo “Bottles are resources! Towards a Sustainable Bottle”

#### Promoting Horizontal Recycling with Local Governments and Corporations

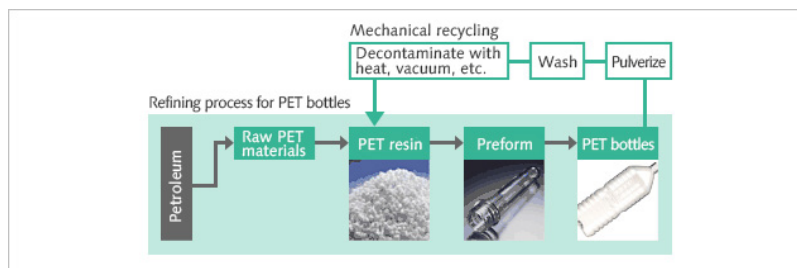
With the aim of realizing a circular society, Suntory Group is committed to “bottle to bottle” horizontal recycling—in which used PET bottles are recycled into new PET bottles—in cooperation with local governments and companies.

We have concluded “bottle to bottle” horizontal recycling agreements with distribution companies, commercial facilities, and local governments, under which we advance “bottle to bottle” horizontal recycling that takes used PET bottles collected at stores and other locations in the wider community and transforming them into new PET bottles. In addition, we offer educational programs about PET bottle recycling at elementary and middle schools within the municipalities where we have concluded agreements, as well as holding consumer awareness events at commercial and similar facilities.

## Development of the “Bottle to Bottle” Horizontal Recycling System

### Establishment of a Mechanical Recycling System

In 2011, in collaboration with Kyoei Sangyo Co., Ltd., Suntory Group established the Japanese soft drink industry's first “bottle to bottle” mechanical recycling system<sup>\*1</sup> and, in 2012, published a joint research paper<sup>\*2</sup> on the safety evaluation of recycled PET bottles. Since its introduction in 2011, this system has received several environmental awards and has been recognized as a pioneering example of sustainable resource circulation.



“Bottle to bottle” horizontal recycling using mechanical recycling method makes it possible to recycle PET bottles as a resource over and over again, without using virgin petroleum-based materials. In addition, it reduces CO<sub>2</sub> emissions by approximately 60%<sup>\*3</sup> relative to manufacturing PET bottles from virgin petroleum-based materials.

Of the PET bottle recycling systems that have been adopted in Japan, mechanical recycling is the most efficient method in terms of costs and has the lowest environmental impact (CO<sub>2</sub> emissions).<sup>\*4</sup> While the recycling process may add some color to the bottles, it does not affect the quality or safety of the containers in any way.

<sup>\*1</sup> Mechanical recycling system: A method in which recycled resin—obtained by crushing, washing, and otherwise processing used PET bottles into a raw material to be used for new PET bottles—is further processed under high temperature and reduced pressure for a certain period of time to remove impurities in the recycled material and make PET resin of suitable quality for beverage containers.

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

<sup>\*3</sup> Processes from used PET bottles to the preform production

<sup>\*4</sup> Based on our research

### Adoption of F-to-P direct recycling technology

In 2017, we collaborated with Kyoei Sangyo Co., Ltd. and overseas machinery manufacturers (EREMA in Austria and SIPA in Italy) to develop F-to-P direct recycling technology, which promises to further reduce our environmental impact. We began production in the fall of 2018. F-to-P direct recycling technology is a technology that can directly manufacture preforms after melting and filtering flakes made from collected PET bottles that have been crushed and washed at high temperatures. The F-to-P direct recycling technology can reduce CO<sub>2</sub> emissions by 70%\* compared with PET bottles made of virgin petroleum-based materials.



Example products that use F-to-P direct recycling technology



F-to-P direct recycling technology process

<sup>\*</sup> Processes from used PET bottles to the preform production

## Awareness-Raising Activities to Promoting “Bottle to Bottle” Horizontal Recycling

### Engaging in Awareness-Raising Activities

To realize a sustainable society, Suntory Group has been working to promote understanding of horizontal recycling initiatives and encourage proper sorting of used PET bottles by engaging in events such as seminars for external audiences. In 2021, we signed an agreement with Waseda University on the realization of a resource-circulating society, and we are also making efforts for the next generation. At elementary and junior high schools in municipalities with which we have concluded “bottle to bottle” horizontal recycling agreements, we offer educational programs on the importance of promoting “bottle to bottle” horizontal recycling and how to properly sort PET bottles, providing an opportunity for students to think about recycling and resource circulation. At companies with which we have concluded these agreements, we also hold educational seminars for employees and events for their families.



### Communication with Consumers

Since 2022, driven by the desire for people to view PET bottles not as garbage but as a resource, and of recycling bins not as garbage bins but as something more like postal boxes that “deliver” the resource to the next person, we have been holding “PET bottle post” events and proactively communicating with consumers and engaging in awareness-raising activities on the theme of proper sorting not only at home but also when out and about.



PET bottle post

### Promoting Horizontal Recycling Through Industry Cooperation

Since 2022, we have been rolling out installation of recycling boxes with industry-standard specifications in outdoor areas, where PET bottles are often not properly sorted from other waste.

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



➤ [For more information, visit the Japan Soft Drink Association website](#)

### “Bottle to Bottle” Horizontal Recycling Progress Through Packaging Improvements

In order to further promote “bottle to bottle” horizontal recycling, we believe that making it easy for consumers to sort their PET bottles from other waste is an important factor. Suntory Group therefore introduced label-free bottles in 2020 and have adopted them for flagship products including the Suntory Tennensui (Mineral Water), Craft Boss, and Iyemon brands. This move eliminates the task of removing bottle labels, making it easier to prepare them for recycling. We hope this will contribute to further encouraging “bottle to bottle” horizontal recycling.



In addition, we developed and launched in April 2023 a new 2L PET bottles for Suntory Tennensui that is easy to crush down to approximately one-sixth of its original size when empty. This new bottle resolves frustrations related to storing empty PET bottles in the home until recycling collection day, such as bottles taking up space or popping back to their original size even after crushing. By making it a more satisfying process to engage with, we

also hope to encourage customers to remove caps and labels when they sort their bottles for recycling, leading to higher-quality PET bottle recycling.



## Initiatives Outside Japan

### Introducing Recycled PET Bottles Overseas

Suntory Beverage & Food Europe (SBFE)—which operates principally in the UK, France, and Spain—has also been pursuing initiatives aimed at making its PET bottles 100% sustainable by 2030. MayTea and Pulco introduced 100% recycled PET bottles in France in 2021, following the example of Ribena, which had already done so in the UK. In 2022, Suntory Beverage & Food Europe has started 100% recycled PET bottles in its Lucozade Sport brand in the UK and Ireland. These initiatives allowed us to increase the proportion of recycled plastic (rPET) used in SBFE PET bottles from 36% in 2022 to 44% in 2023.

In addition, Suntory Beverage & Food Asia Pacific, which operates principally in Vietnam and Thailand, introduced 100% recycled PET bottles in Vietnam in 2022 (the first such bottles used by Suntory Group in Asia) and in Thailand in 2023 (a first for the country).



Ribena's 100% recycled PET bottle

### Development of New Technology to Drive Horizontal Recycling

SBFE is participating in a consortium with green biotech company Carbios. In June 2021, the consortium successfully developed the world's first PET bottle of food-grade quality made from chemical recycling using enzymatic technology\*. A prototype was made for SBFE's Orangina brand, and a Japanese technical team helped test aspects of the prototype that Carbios could not manage, including the safety and ease of manufacturing the bottle. In September 2021, Carbios opened its first demonstration plant with the goal of launching commercial plant operations in 2027. This innovative technology breaks down polyethylene terephthalate (PET) into its building blocks using a special enzyme that only breaks down PET plastic to create the raw materials of PET bottles that can then be reused. This technology is expected to enable an end recycled product on par with virgin PET, even when using source PET bottles not optimally separated from other waste or including a high proportion of colored PET bottles (common in Europe).

\* Based on our research

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# Pollution Prevention and Chemical Substance Management

## Our Policies and Approach

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Many of Suntory Group products use agricultural products and water as primary ingredients, suggesting a lower risk of environmental pollution from chemicals compared to other industries. However, the production process does involve emissions from boiler combustion and the use of chemicals for equipment cleaning and sterilization, which could pose a risk to the surrounding environment. Therefore, we prepare for all types of abnormalities and emergencies by implementing response measures, conducting regular inspections of equipment and facilities, and strengthening safety education for employees. These efforts enhance pollution prevention from both a hardware and software perspective.

## Promotion Structure

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Suntory Group's Global Risk Management Committee identifies and discusses important risk factors, including various sustainability-related issues, and monitors the status of responses.

Additionally, for sustainability-related issues, the Global Sustainability Committee (GSC) formulates strategies to promote sustainable management, promotes initiatives, and confirms progress.

➤ [For more information on the promoting structure, see Environmental Management.](#)

## Our Initiatives

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### Preventing Air Pollution

Suntory Group is committed to reducing air pollutant emissions by promoting cleaner energy sources and advanced exhaust gas treatment. Specifically, we are working to reduce SOx and NOx emissions by converting to boiler fuel, sulfur-free natural gas and carbon-neutral fuels, and using low-NOx burners. Each plant has established in-house voluntary standards that stricter than legal requirements and constantly monitors air pollutants such as sulfur oxides (SOx) and nitrogen oxides (NOx) in exhaust gas.

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

### Preventing Water Pollution

For water discharged into the environment, each plant sets its own water quality standards that are stricter than the legal requirements, and uses advanced wastewater treatment facilities and rigorous management to maintain these standards.

➤ [Please see Performance Data for BOD and COD wastewater discharge results.](#)

## Preventing Soil Pollution

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

## Measures for Alcohol Evaporation

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

## Chemical Substance Management

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

## Waste Management

In terms of proper waste management, we are promoting the digitization of waste manifests to ensure compliance with the manifest system and strengthen centralized management of waste information. In addition, we continue to implement training programs for production sites, sales offices, cultural sites, head office functions, and Group companies to improve their knowledge and skills in waste management through methods such as group training, on-site visits, and role-playing to ensure the proper disposal of waste. We call such a lectures "Waste management seminars" and "Surveillance seminars at waste treatment facility" to improve the knowledge and audit ability on waste management. We continue initiatives for thorough implementation of proper disposal of waste.

## Management of PCB Disposal

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

### Quantity of equipment that uses PCB (as of December 2024)

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

## Claims, Accidents and Lawsuits

Suntory Group implements thorough environmental risk management. In the most recent fiscal year (2024), we had no major environmental accidents, lawsuits, or administrative actions.



# Social

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# Respect for Human Rights

Suntory Group considers respect for human rights to be a fundamental responsibility as a global company and essential to our business activities. Under the Suntory Group Human Rights Policy, To ensure that the human rights of everyone involved with our business activities are respected, in line with, we are committed to respecting the human rights of all individuals involved in our business. We engage in dialogue and collaboration with various stakeholders, including employees, business partners, local communities, and NGOs, to further strengthen our existing initiatives.

## Our Policies and Approach

### Formulation of the Suntory Group Human Rights Policy

In 2019, Suntory Group formulated the Suntory Group Human Rights Policy, based on business-specific key issues identified through dialogue with external human rights experts. Since then, we have continued to advance our activities to address important human rights issues, incorporating ongoing feedback from external experts obtained through dialogue. In 2024, to further promote respect for human rights, we revised the Suntory Group Human Rights Policy. As Suntory Group's highest-level guidance for human rights, this policy clearly declares Suntory Group's commitment to respecting internationally recognized standards for human rights, including the United Nations' International Bill of Human Rights and Guiding Principles on Business and Human Rights, as well as various labor standards (including the International Labour Organization's core labor standards: freedom of association and the right to bargain collectively, abolition of forced and child labor, and elimination of discrimination in employment). This policy also positions respect for human rights as a priority area among issues to be addressed by the Group. Policy formulation and revisions are carried out with the approval of the Board of Directors, and the Policy has been translated into nine languages spoken in countries where the Group does business. All company officers and employees are made aware of the Policy through e-learning and the company intranet.

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

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

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

### Human Rights of Vulnerable Populations

As a corporate signatory to the UN Global Compact, Suntory Group has declared its commitment to respecting international human rights principles such as the Women's Empowerment Principles, the Children's Rights and Business Principles, and the International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families, and promoting the protection of the rights of vulnerable populations (such as women, children, migrant workers, etc.) within throughout our company and value chain. We also expect Suntory Group business partners to undertake similar efforts to respect the human rights of vulnerable groups.

Moreover, Suntory Group also considers it crucial to protect land tenure, water access rights, and the rights of indigenous peoples, and we have declared that we will respect these in accordance with international standards of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT), the IFC's Performance Standards, and the ILO Indigenous

and Tribal Peoples Convention (No. 169). Furthermore, we expect Suntory Group business partners to do the same, including respect for ILO labor standards.

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

## **Suntory Group Migrant Worker Employment Guidelines**

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

### **<Key Points from the Migrant Worker Employment Guidelines>**

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

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

## **Promotion Structure**

The Human Rights Working Team, which consists of the sustainability, supply chain, human resources, legal, compliance, and other functional divisions, as well as major operating companies, serves as the driving force behind activities to promote human rights due diligence, regularly formulating strategies and monitoring the progress of activities. The team reports to the Global Sustainability Committee and, as necessary, to the Board of Directors. The Board of Directors receives regular reports on key issues and progress with regard to human rights due diligence to fulfill its responsibilities to oversee these efforts. The Global Sustainability Committee met twice, in February and April 2024, to discuss items such as the Group-wide human rights due diligence report, and revision of the Human Rights Policy. The committee also consulted with external experts and human rights NPOs, and took their opinions into account in internal discussions.

With respect to daily operations, the Human Rights Working Team holds monthly discussions to promote human rights due diligence, including the sharing of information on human rights inside and outside Japan, identifying and responding to human rights violations risks throughout the value chain and carrying out awareness-raising activities. To further deepen our human rights due diligence policy and plans, a Global Human Rights Working Team was established in each Group company outside Japan. Consisting of human rights representatives from the human resources, legal, compliance and procurement divisions in each company, teams meet about twice a year to share information about their activities and discuss human-related issues. The Chief Sustainability Officer (CSO) is responsible for human rights-related activities, and activities relating to relevant themes, such as child labor and forced labor, are included in CSO compensation criteria to incentivize their promotion.

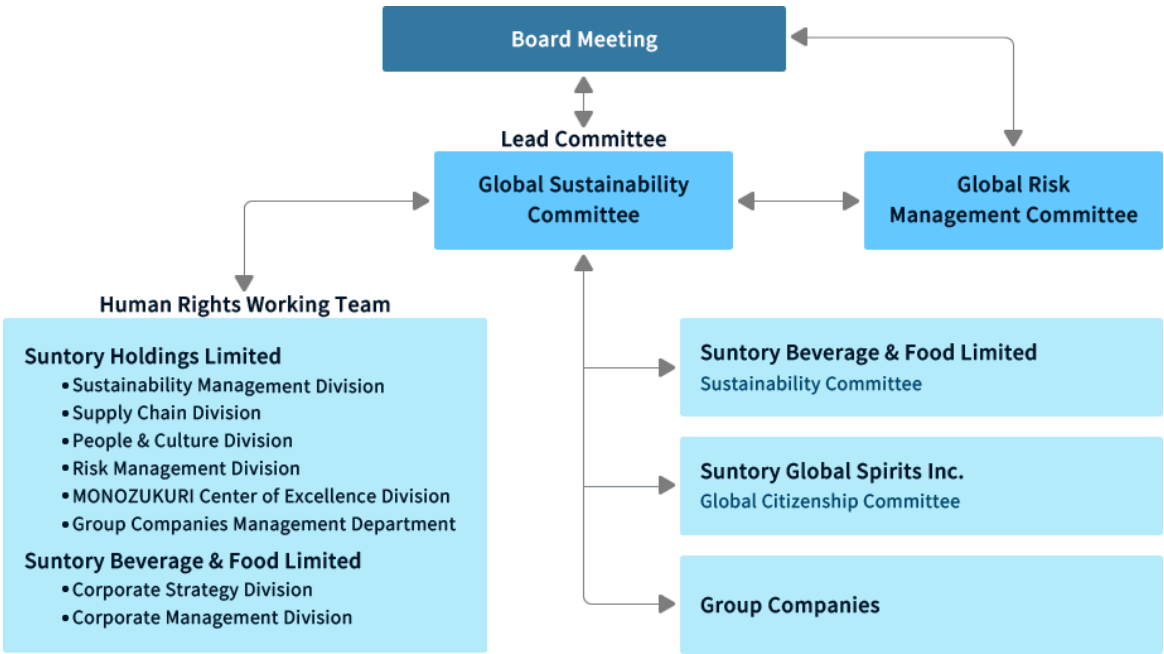
## **Integration with Corporate Risk Management**

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

The discussions of the Global Sustainability Committee and Global Risk Management Committee are reported to the Board of Directors as

appropriate. In addition, we respond to Japanese traditional human rights issues through our Human Rights Education Promotion Committee, which consists of a central committee and Human Rights Promotion Committee members from each business location.

Promotion Structure

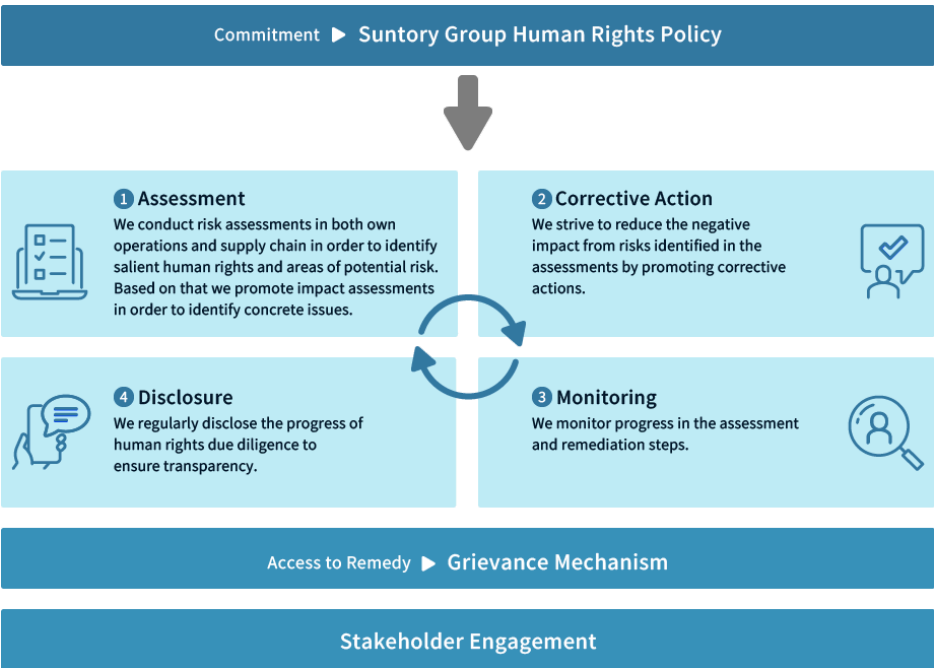


Due Diligence Process

Suntory Group’s Human Rights Policy identifies key themes such as forced labor and human trafficking, child labor and dangerous or hazardous work for young workers, discrimination, and foreign and migrant workers’ rights, and we promote human rights due diligence globally.

Due Diligence Process

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



## Identifying Stakeholders

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

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

## Assessment

### Identifying Human Rights-Related Risks

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

To ensure that Suntory Group constantly maintains an up-to-date awareness of global human rights risks, we are engaging in periodic dialogue with NPOs and with human rights experts from the UN, and the fruits of this dialogue are reflected in our human rights due diligence strategy. We are also strengthening our risk identification process by using risk data from the global consulting firm Verisk Maplecroft.

When a risk assessment shows, for example, that a raw material (coffee, sugar, etc.) or region has a high risk of child labor or forced labor, we prioritize on-site visits and support preventive and mitigating measures.

### Assessing Human Rights Risks

To manage human rights risk in the supply chain, we assess risk for both existing and new suppliers by making use of Sedex's SAQ and risk assessment tools, SMETA information, and third-party interviews. These assessments take the geographic, economic, and social considerations into account, and incorporate the perspectives of the different regions and rights-holders that are prone to specific human rights risks. Based on this information, we promote detailed evaluation through interviews with migrant workers, etc. and corrective actions on key findings at suppliers, starting from high-risk areas/issues.

#### [Risk Assessment]

##### ● Internal Operations

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

#### Potential risk assessment results (overall\*):

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

Very high risk:	0 factories	0%
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\* Covered human rights risks: child labor, forced labor, working hours, fair wages and welfare, discrimination, harassment, freedom of association and right to collective bargaining, access to remedy, health and safety

## ● Supply Chain

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

### Potential risk assessment results (overall\*):

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

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

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

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

Child labor : coffee and sugar

Going forward, we will start with items that are very high risk and very high impact in terms of child labor and forced labor, and conduct impact assessments to understand the actual situation.

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

## 【Impact Assessment】

### ● Internal Operations

#### Impact Assessment at Own Plants

We are using Sedex in order to visualize human rights risks and strengthen management at our own plants. We are assessing the management capability in relation to potential risks in 4 categories: (1) labor practices, (2) health and safety, (3) business ethics, and (4) environment.

(Number of plants)

	Potential risks			Management capability		
	High	Medium	Low	High	Medium	Low
Japan	0	2	18	20	0	0
India	0	1	0	1	0	0
Mexico	0	1	0	1	0	0
Malaysia	0	1	0	0	1	0



Vietnam	0	6	0	1	5	0
Thailand	0	2	3	5	0	0
Philippines	0	0	1	1	0	0
Taiwan	0	1	0	1	0	0
New Zealand	0	0	1	1	0	0
France	0	3	2	4	1	0
Spain	0	2	1	1	2	0
United Kingdom	0	5	2	1	6	0
Ireland	0	1	1	0	2	0
Canada	0	1	0	0	1	0
United States	0	5	0	0	5	0

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

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

- Child labor

While there were no cases of workers under the age of 15, there were two factories with workers under the age of 18, so we are working to confirm to the actual situation regarding labor.

- Forced labor

We have confirmed that there are several migrant workers in 21 of our plants overseas. We are currently working to assess the situation in line with the Migrant Worker Employment Guidelines.

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

## ● Supply Chain

Suntory Group is working to promote activities for respecting human rights throughout the entire supply chain while linking to business partners by establishing the Basic Policy on Sustainable Procurement.

### Impact Assessment by Sedex

We joined Sedex in June 2019, and since then we are requesting our suppliers to share information through Sedex by answering to the SAQ\*. These SAQs evaluate the potential social risks in the supply chain by focusing on child labor, forced labor and other human rights issues as well as considerations toward the work environment and occupational safety. As of December 2024, we have confirmed that over 1,200 manufacturing sites of approximately 800 major suppliers have joined the Sedex. We will continue to promote all major suppliers to join the Sedex. We will prioritize the strategy for each region based on the result of the risk assessment to formulate an action plan and promote corrective actions when needed.

\* SAQ:Self-Assessment Questionnaire

### Impact Assessment Status

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

### Potential Risks of Suppliers

Sedex revamped its SAQ in October 2023. We continue to conduct evaluations through the new Sedex SAQ, with the number of manufacturing sites for which we were able to conduct potential risk assessments reaching 1,075 (down nine from November 2023).

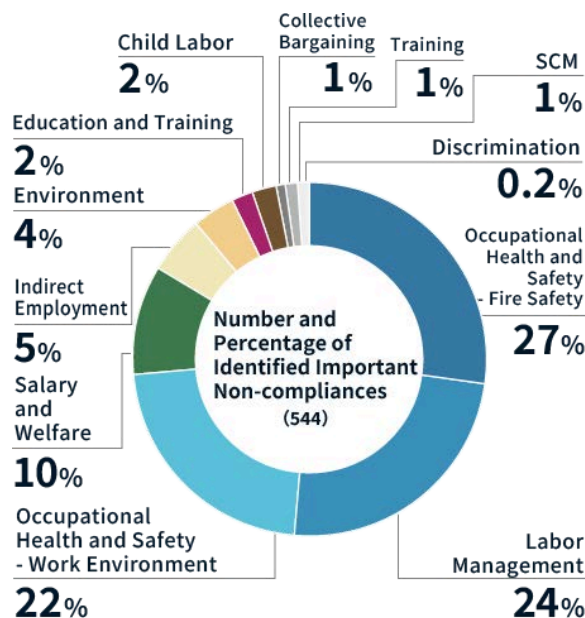
(Number of manufacturing sites/%)

	December 2024		Reference benchmark: November 2023	
<b>Low</b>	218	20%	301	28%
<b>Medium</b>	687	64%	623	57%
<b>High</b>	116	11%	78	7%
<b>Waiting for answer</b>	54	5%	82	8%
<b>Total</b>	1075		1084	

\* SAQ questions were revised in October 2023, so 2023 ratings are for reference only.

### Actualized Risks of Suppliers (As of December 2024)

The total number of non-compliances identified was 544.



### Monitoring through Supplier Assessment Questionnaires

We also conduct sustainable procurement questionnaires targeting suppliers that have not joined Sedex. We examine not only our existing suppliers to identify those that are at high risk, but also assess potential new suppliers before we start business relationships. In addition, the Suntory Group shares the Suntory Group Partner Guidelines with our overseas Group companies and verifies initiatives toward sustainability at each company at the Global Procurement Conference in which our overseas Group companies participate.

### Conducting Human Rights Due Diligence Related to Migrant Workers

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

vulnerable type of rightsholder in Japan. We engaged CRT to conduct third-party human rights impact assessment interviews at the Tsuzuki and Takatsu Plants of Izutsu Maisen Co., Ltd., a Group company that hires foreign technical intern trainees. Interviews were conducted in 2024, following on interviews in 2021. Taking into consideration that all interviewees were non-Japanese females, we identified particularly important human rights risks that could arise in the interview context, and conducted direct interviews in a way that allowed rightsholders to freely express their opinions with total anonymity.

As a result, CRT Executive Director Hiroshi Ishida commented, “The relationship between foreign workers and Japanese employees is good at both plants, which are aware of the need to position foreign workers as important strategic assets, and provide them with good treatment.” In addition, the assessment found no significant negative human rights impacts on foreign intern trainees, such as being forced to work long hours, non-payment of wages, or working under hazardous conditions. Comments received, such as those regarding knowledge of evacuation procedures and of the content of employment contracts, will be reviewed with the goal of making improvements.

Aiming to further improve the workplace environment for foreign workers, we will engage in effective communication and maintain good working relationships going forward.

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

## Corrective Action

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

Suntory Group is committed to providing redress through due process or cooperating in providing redress for any negative human rights impacts that it has caused (or has been involved in through its business relationships). We are also committed to working with judicial and non-judicial mechanisms, as appropriate, to collaborate in the remediation of harm caused by suppliers directly related to our business.

### Corrective Process (Remedy)

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

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

\* SMETA is one of the world's leading auditing schemes and is particularly focused on labor, health, and safety. It especially aims to protect workers in terms of occupational health and safety, overwork, discrimination, low wages, and forced labor. SMETA also leverages the Forced Labor Indicators (FLI) tool embedded in the Sedex risk assessment platform to specifically monitor forced labor risks.

### Cases of Potential Risk

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

### Cases of Actualized Risk

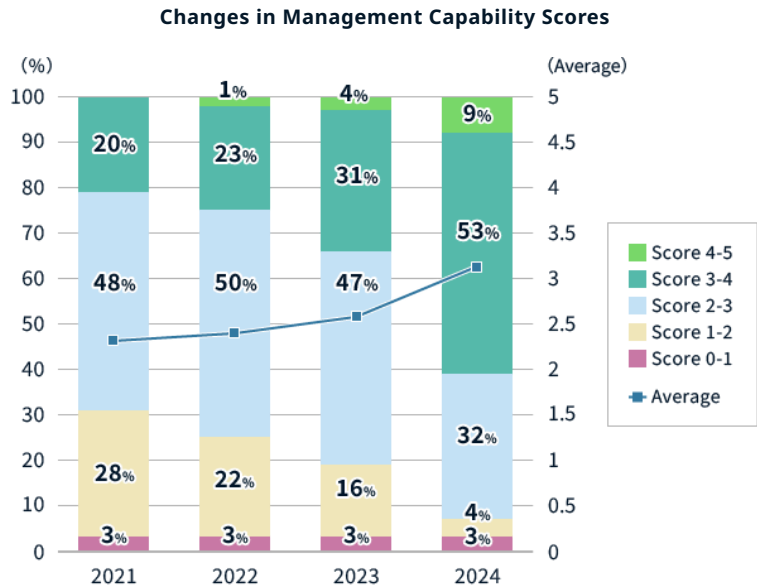
1. Goal: bring actualized risks down to zero.
2. Index: key findings of third-party audit.
3. Timeframe: confirm within 6 months that the identified issues have been resolved.

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

Potential Risks of Suppliers

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

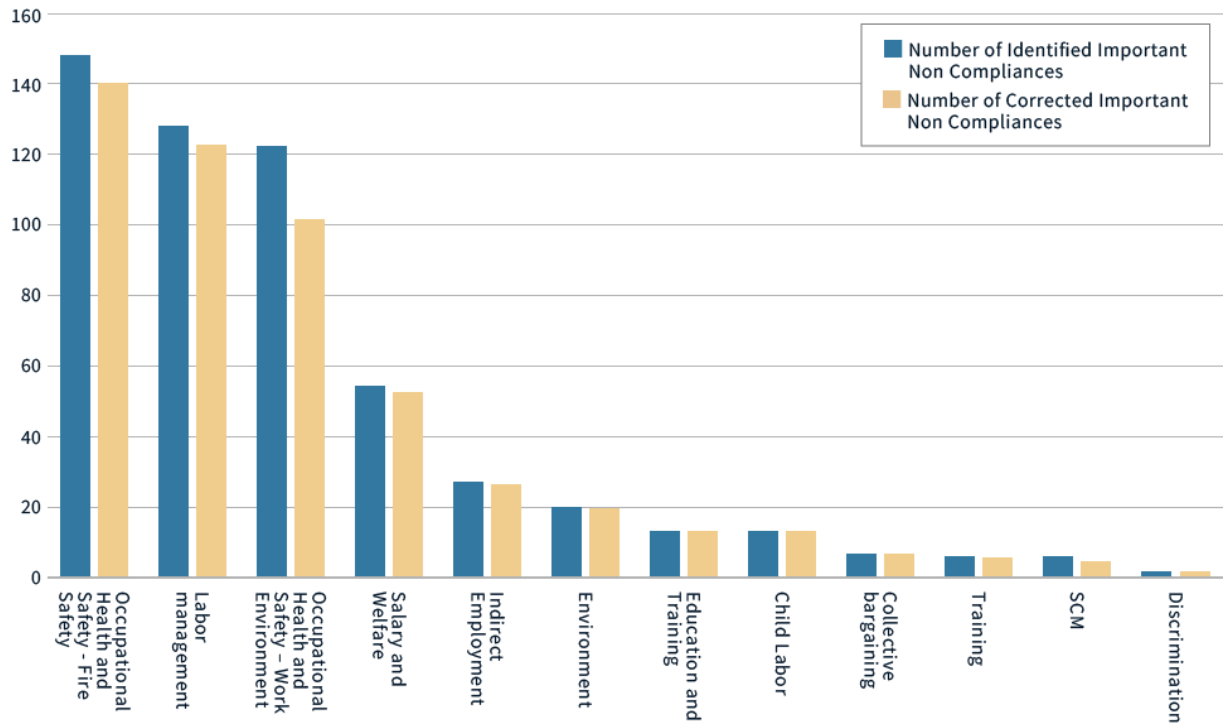
In addition, we are working to clarify which plants have migrant workers (who are seen as being subject to a particularly high level of human rights risk) working there, as well as the number of migrant workers, and to confirm whether the issues that are specific to migrant workers are being actualized.



\* Scores until 2023 use the old SAQ. The 2024 score uses the new SAQ.

Actualized Risks of Suppliers

We communicate directly with suppliers regarding issues identified in Sedex by third-party audits, and we check that these issues are corrected within six months of having been pointed out. Of a total of 544 important non-compliances specified as of the end of December 2024, we confirmed that 502 have been corrected. We will continue to engage with suppliers on the remaining non-compliances as we move ahead with remedial actions.



More specifically, we have reviewed all Sedex SAQ responses under the former format regarding the following key human rights themes, and identified data indicating potential risks. At the same time, we have reviewed the findings of SMETA audits, to be check whether any potential

risks have been actualized. In those cases, we engaged with the suppliers in question and confirmed the status of the corrective actions taken. With the new SAQ, we will continue to review and analyze responses and, in conjunction with audit findings, confirm the status of corrective actions taken when risks have become apparent.

## ● Child Labor

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

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

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

## ● Forced Labor

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

### 1) Recruitment fees

A review of SAQ responses from approximately 1,050 supplier manufacturing sites showed that 4% of respondents had no policies, and 1% of the respondents had no initiatives to address the burden of recruitment fees on workers. In addition, 1% of the respondents indicated that the workers bear costs in some form. SMETA audits found five instances of non-compliance related to the burden of recruitment fees on workers, but we confirmed that these had already been addressed by revising the supplier's internal regulations, and through refunds and other measures. Similarly, there were three findings regarding wage reductions, but we confirmed that there were no deductions that were problematic under local law.

### 2) Wages

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

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

The review also showed lack of visibility regarding indirect employees' minimum wage. SMETA audit findings also included 54 instances of non-compliance related to wages.

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

### 3) Freedom of movement

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

### 4) Working hours

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

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

## ● Freedom of Association and Collective Bargaining

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

On the point of whether processes, organizations, and arrangements were in place for workers to use and reflect in company decision making, the SAQ data indicated that 14% of supplier manufacturing sites did not have these mechanisms in place. In addition, data from the SMETA

audit included six findings related to freedom of association and collective bargaining, but we have confirmed that corrections have already been made.

### ● Health and Safety

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

The SAQ data showed that 2% of production plants had more than 100 recorded accidents in the past 12 months, and 1% reported more than 20 serious accidents. We will engage with these high-risk supplier manufacturing sites and work toward enhancing their occupational safety. Data from the SMETA audit also showed 275 instances of health and safety non-compliance, with remedial actions having already been taken with respect to 167. We will continue to engage with suppliers on the 23 instances of non-compliance for which corrective actions are still pending. Corrective actions for the health and safety risks found through the Sedex's SAQ answers and non-compliance by SMETA were shared with other suppliers in an effort to improve health and safety management (FY2024).

### ● Land Rights

We are strengthening management of suppliers through Sedex information to identify human rights risks related to land rights. Specifically, we leverage questions in Sedex to determine whether the land on which a given supplier's production plant is sited was used as a residence before construction.

The SAQ results showed that 1% of such land was used for residential buildings prior to conversion to an industrial site. We will engage with the suppliers to confirm whether there is a possibility that the conversion could have led to a violation of land rights.

### ● Water Access and Sanitation

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

### ● Women's Rights

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

### ● Remedy

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

### ● Training

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



SMETA audit data indicated that employees were not receiving required health and safety training at 37 sites, and were not receiving training on business ethics- and bribery-related training at 13 sites. While we are engaging with suppliers to confirm that corrective actions are under way as needed, we are aware that such training for employees and suppliers presents challenges, and will recommend that suppliers utilize Sedex e-learning and other training programs going forward.

## Measuring the Effectiveness of Actions Taken (Monitoring)

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

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

## Action Plan

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

### ● Own Plants

We will carry out assessment activities utilizing Sedex's new assessment SAQ at principal domestic- and international-business plants during 2024 and 2025.

We also plan to promote similar Sedex assessment activities with contract manufacturers and with subcontractors operating in our plants.

### ● Supply Chain

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

### ● Migrant Workers

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

## Access to Remedy

### Internal Reporting System

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#### ● Hotline

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

Both mechanisms are available in multiple languages so that foreign employees who do not speak Japanese fluently can use easily use them. We have also implemented a global contact point for compliance issues encompassing all Group companies in Japan and globally as part of our global risk management system. This contact point supports multiple languages such as English, Chinese, and Spanish, and accepts reports and consultations from multiple countries. Additionally, in order to avoid accessibility issues due to technical or financial reasons, we have made this mechanism accessible to all employees through different methods (digital and analog), including web, smartphones, telephone, and mail.

The internal awareness of this mechanism is measured every year through initiatives such as the "Employee Awareness Survey" as a way to engage users and assess the current mechanism, and the current awareness rate is over 90%. We also strive to keep improving the awareness

rate and accessibility of this mechanism by sharing these results (including comparisons with previous year) with our top management. In 2024, a total of 386 reports were received through these contact points in Japan and overseas. There were no reports relating to child labor or forced labor.

If there is a suspicion of non-compliance based on the content of the report, we take into consideration the privacy protection of all persons involved in accordance with the Suntory Group Internal Reporting System Regulations. In that case, the compliance officer promptly conducts a confidential investigation within the company, and promptly requests correction while escalating to the relevant executive in charge, so that measures can be taken as soon as possible in order to avoid any negative impact to the reporter. The results of the survey are shared to the reporter and management, respectively, to promote corrective measures and prevent recurrence. After a certain period of time has passed after the response, we close the case once we receive a report on the state of change from senior management as a follow-up. Furthermore, regarding measures against harassment, which is a priority issue, in many cases there is a difference in values with colleagues and related parties, so we aim to create a culture where both sides can recognize the difference by providing an opportunity to learn about unconscious bias. In this respect, we hold seminars from time to time to promote a more tolerant organization.

### ● Protecting the Reporters

Based on our internal regulations, the Suntory Group prohibits any type of negative impact such as retaliation or spread of rumors and does not force confidentiality on the reporters. In order to achieve this, when the Compliance Office conducts an investigation, it identifies the persons concerned and then confirms the "internal reporting system regulations," protecting thus the rights of the reporter. In addition, during the interviews with the reporter on the closing of each case, we also check that reporters have not suffered any disadvantages during the process.

Furthermore, we are working to create a culture in which compliance reports are protected not only by the persons concerned, but also by the entire workplace by proactively disseminating the "internal reporting system regulations" within the company on a daily basis.

➤ [For more information, see Suntory Group's Compliance](#)

## External Reporting System

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Since its founding, Suntory Group has placed customer satisfaction first and valued proactive communication with customers. In addition, based on our belief that all our stakeholders are customers, business partners are also regarded as important customers. Therefore, when promoting human rights due diligence, we believe it is important that not only our employees, but also our direct suppliers, their own suppliers, as well as other related parties (their local community, etc.) have access to a grievance mechanism, including human rights issues. Furthermore, as stated in our Suntory Group Partner Guidelines, we expect partners to establish similar grievance mechanisms (with no retaliation) within their own supply chain, thereby striving to promote access to remedy upstream in our supply chain. Currently, we have established a Suntory Group Business Partner Compliance Hotline and Customer Center as a contact point for suppliers and their related parties (communities) to use, which accepts inquiries from all customers.

➤ [Business Partner Compliance Hotline](#)

➤ [Contact Us](#) 

## Grievance Mechanism for Migrant Workers

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

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

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



➤ [More information about JP-MIRAI can be found on the following link :](#) 

## Stakeholder Engagement

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

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

### Communication with Business Partners

We believe that communicating with stakeholders on human rights risks and impact is critical to our stakeholder engagement. For example, we carry out direct communication that is attentive to rightsholders (as in the interviews with migrant workers at Izutsu Maisen described above), and we communicate through briefings for suppliers (on Suntory Group Partner Guideline compliance).

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

### Human Rights Training for Business Partners

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

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

### Video to Raise Awareness about Business and Human Rights

In line with the revision of our Human Rights Policy in 2024, we have produced an original video to raise awareness about human rights to help our employees, business partners, and other stakeholders understand Suntory Group's efforts to respect human rights. This video is available to view in Japanese, English and Chinese so that it can be used to foster awareness of respect for human rights throughout Suntory Group's value chain, including overseas business locations.



### Initiatives to Raise Awareness

Every year, Suntory Group conducts a sustainability e-learning program for approximately 20,000 employees to learn about global ESG trends, including human rights, and the company's initiatives. In addition, to facilitate understanding of the Suntory Group's Code of Business Ethics (including human rights) among all officers and employees of the Suntory Group, and to encourage them to practice these ethics in their daily activities, we have included the Code in a booklet that summarizes the Suntory Group's system of philosophy, which is distributed to all employees. To promote global understanding, we have translated the booklet into 11 languages, and its contents are read and signed once each year. Group companies outside Japan also carry out similar efforts to promote compliance and human rights understanding in various regions.

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

For management, we invited experts to hold study sessions on human rights with the Board of Directors.

### Freedom of Association and Collective Bargaining

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

### Measures to Reduce Excessive Working Hours

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

### Dialogue with Experts

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Suntory Group holds regular dialogue with experts on human rights from Japan and overseas to strengthen initiatives related to human rights. In 2023, we engaged in dialogue with Human Rights Watch (HRW), a human rights NGO, and with human rights experts from other international NGOs.

In our dialogue with HRW, we discussed the assessment of human rights risk which is necessary when developing a new business, and how to respond when a human rights issue becomes actualized. We also received advice from human rights experts associated with global NGOs regarding the need to review human rights related measures in light of the proposed Directive on Corporate Sustainability Due Diligence in the European Union.

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


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

#### <Dialogue with Experts in Recent Years>

Year	Contents
2019	<ul style="list-style-type: none"><li>• Ethical production activities and migrant workers in the Group's production sites</li></ul>
2020	<ul style="list-style-type: none"><li>• Progress of the risk assessment activities for the Group's own factories and migrant workers.</li><li>• How to proceed efficiently and effectively risk assessment on raw ingredients and migrant workers in the corona disaster.</li></ul>

2022	<ul style="list-style-type: none"> <li>● Sharing of progress made in initiatives relating to forced labor risk and migrant workers in the upstream portion of the supply chain</li> </ul>
2023	<ul style="list-style-type: none"> <li>● Methods for determining human rights risk, and how to respond in the event that human rights risk becomes actualized</li> <li>● The need to review human rights related measures in light of the proposed Directive on Corporate Sustainability Due Diligence in the European Union</li> <li>● The scale and scope of support needed to address human rights issues in the upstream portion of the raw materials supply chain, and the right approach for this</li> <li>● Prioritizing in the value chain</li> <li>● Dialog with civil society</li> </ul>
2024	<ul style="list-style-type: none"> <li>● Participated in the UN Forum on Business and Human Rights</li> </ul>

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

➤ [Suntory Global Spirits Inc.](#) 

➤ [Suntory Beverage & Food Europe](#) 

# Suntory Group Human Rights Policy

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

## 1. Our Approach to Human Rights

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

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

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

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

## 2. Scope of Application

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

## 3. Responsibility to Respect Human Rights

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



## 4. Human Rights Due Diligence

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

## 5. Remediation

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

## 6. Grievance and Whistleblowing Mechanisms

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

## 7. Disclosure

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

## 8. Stakeholder Engagement

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

## 9. Education and Training

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The Suntory Group will provide appropriate education and training to our officers and employees so that this Policy will be integrated appropriately into our business activities and implemented effectively. We will provide our business partners with education and training as necessary.

## 10. Officer in Charge

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The Suntory Group will clarify the officer responsible for the implementation of this Policy and ensure its effectiveness. The Board of Directors of Suntory Holdings Limited is responsible for overseeing the compliance and implementation status of this Policy.

## 11. Important Themes regarding Human Rights

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The Suntory Group has established the Suntory Group Code of Business Ethics and aims to realize a corporate group that is rewarding, and respects diversity, inclusion and human rights. We position the following items as key themes in respecting human rights.

### **Forced labor and human trafficking**

We strictly prohibit any form of forced labor including human trafficking. The labor practices<sup>\*1</sup> that may contribute to forced labor and human trafficking are also prohibited.

### **Child labor and young workers exposed to hazardous work**

We strictly prohibit employing any child under the legal working age as prescribed in the laws and regulations of the relevant country or region. We also prohibit the assignment of hazardous or night work to workers under 18. We will verify the age of newly recruited workers and provide remedial measures to children or young workers identified.

### **Discrimination**

We will build a workplace where everyone is treated fairly by respecting the rights and personalities of each individual and eliminating all forms of discrimination based on ethnicity or race, religion, sex, gender, sexual orientation, age, national or social origin, property, birth, language, disability, or other characteristics that are not relevant to a person's capacity and aptitude. We strive to accommodate requests related to employees' religious practices within reasonable limits.

### **Inhumane treatment**

We do not tolerate inhumane treatment that threatens an individual's dignity, including physical, sexual, racial, psychological, verbal, or any other form of harassment, bullying, or abuse.

### **Freedom of association and collective bargaining**

We will respect the basic rights of our employees to engage in freedom of association and collective bargaining. We will also prohibit intimidation, harassment, retaliation, and violence against trade union members and employees' representatives.

### **Occupational health and safety**

We will comply with the laws and regulations on occupational health and safety and implement an occupational safety and health management system. We will promote work styles that find balance between the professional and private lives of our employees while building a workplace that allows each person to work safely, securely and with enthusiasm in ways that are healthy, both mentally and physically.

## Working hours

We will appropriately manage working hours, holidays, and vacations in compliance with the laws and regulations of the relevant country or region. We strive to respect international standards where the local laws and regulations conflict with international standards or do not fully meet with them. We seek to ensure that overtime work is consensual and paid at an appropriate rate.

## Wages

In compliance with the laws and regulations of the country or region and other relevant provisions, we work to manage so that wages of our employees meet or surpass the statutory minimum, and overtime is compensated at the appropriate rate. We strive to pay a living wage that provides a decent standard of living for our employees and their families. Our employees are paid directly, regularly, and in full, on time, and are provided with a pay slip explaining any legitimate deductions.

## Rights of foreign and migrant workers

We respect foreign and migrant workers' rights as set out in the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. We ensure appropriate working conditions and environments for foreign and migrant workers and prohibit discriminatory treatment against them.

## Rights of local community including indigenous peoples

We respect the ownership and use of land and natural resources and respect legitimate tenure rights related to the ownership and use of land and natural resources as set out in the international norms related to the rights of indigenous peoples<sup>\*2</sup>. When acquiring water, land, or natural resources, we avoid adverse impacts on the rights and access of indigenous peoples and obtain free, prior, and informed consent (FPIC) from the community as required.

## Rights of human rights defenders

We neither tolerate nor contribute to threats, intimidation, and attacks (both physical and legal) against human rights defenders. We will work with human rights defenders to create safe and enabling environments for civic engagement and human rights at local, national or international levels.

## Open-minded workplaces

We will foster an open-minded workplace that respects one another's beliefs, values, and diversity and where each and every employee can candidly express and share their views. We will also build cooperative relationships founded with unity through active communication throughout the Suntory Group

## Perseverance and growth

We will realize the growth of individuals by fostering a feeling of pride and responsibility toward work in each and every individual so that they may independently persevere in achieving their goals.

\*1 The labor practices that may contribute to forced labor and human trafficking include, but are not limited to, the following:

- Companies or employers retaining personal documents, collecting recruitment fees and related costs from workers and job seekers, restricting workers' freedom of movement, not providing employment terms in written form, and requiring workers to use company-provided accommodation.
- Third-party recruitment intermediaries retaining personal identifications and collecting recruitment fees and related costs from workers and job seekers.

\*2 The international norms pertaining to the rights of indigenous peoples encompass:

- International Finance Corporation Performance Standards
- ILO Convention on Indigenous and Tribal Peoples No.169

Established: 10th July 2019

Revised: 7th June 2024

This Policy has been approved by the Board of Directors of Suntory Holdings.

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|---|---|--|
| ➤ <a href="#">Suntory Group Human Rights Policy (English)</a>              | ➤ <a href="#">Suntory Group Human Rights Policy (Japanese)</a>  | ➤ <a href="#">Suntory Group Human Rights Policy (Simplified Chinese)</a>  |
| ➤ <a href="#">Suntory Group Human Rights Policy (Traditional Chinese)</a>  | ➤ <a href="#">Suntory Group Human Rights Policy (French)</a>    | ➤ <a href="#">Suntory Group Human Rights Policy (Indonesian)</a>          |
| ➤ <a href="#">Suntory Group Human Rights Policy (Spanish)</a>              | ➤ <a href="#">Suntory Group Human Rights Policy (Thai)</a>      | ➤ <a href="#">Suntory Group Human Rights Policy (Vietnamese)</a>          |

# Sustainable Procurement

## Our Policies and Approach

### Basic Policy on Sustainable Procurement

In order to offer our customers high-quality products and services, Suntory Group recognizes the importance of promoting sustainability throughout our entire supply chain. This means to give due consideration to the environment and society, as well as to safety and reliability. In 2011, in order to promote sustainability in procurement, we established the Suntory Group's Basic Policy on Sustainable Procurement that consists of 6 main pillars - legal compliance, human rights and labor standards, quality, environment, information security, and the coexistence with society - that address global issues such as child labor, forced labor, freedom of association and collective bargaining, working hours, the guarantee of minimum wages, etc. To promote sustainability in collaboration with our business partners, we communicate with them to ensure awareness and seek their understanding.

In order to avoid that our purchasing practices affect negatively the human rights of our suppliers' workers, we agree on estimated lead times in advance with our suppliers, and share our payment terms in advance. We also implement the necessary mechanisms and procedures so that payments are executed on the timeframe agreed with the supplier.

Furthermore, if we identify high human rights risk in one particular ingredient, we review our purchasing practices and strive to reduce the risk. For example, in some of our business units we switch to sustainable-certified palm oil in order to minimize human rights and environmental risks.

#### The Suntory Group's Basic Policy on Sustainable Procurement (Established 2011)

In order to provide high-quality products and services safely and reliably based on our corporate philosophy and our Code of Business Ethics, Suntory Group engages in fair business practices and, in collaboration with supply chain business partners, promotes procurement activities that take social responsibility into consideration, mindful of such issues as human rights, labor standards, and the environment.

We build good partnerships with our business partners and contribute toward realizing a truly affluent and sustainable society.

##### 1. Legal Compliance and Respect for International Standards of Conduct

We will promote fair and equitable procurement activities that comply with each country's laws and respect international standards of conduct.

##### 2. Consideration for Human Rights, Labor, and Safety and Health

We will promote supply chain CSR initiatives that respect basic human rights and are mindful of labor conditions and safety and health.

##### 3. Guaranteeing Quality and Safety

Aligned with the Suntory Group Quality Policy, we will promote supply chain CSR initiatives that seek to guarantee a high level of quality and safety based on the optimal standards for quality, cost, and supply.

##### 4. Consideration for the Global Environment

Aligned with the Basic Principles of Suntory Group's Environmental Policy, we will promote procurement activities mindful of the global environment.

##### 5. Preservation of Information Security

Confidential information regarding procurement dealings and personal information will be strictly controlled.

##### 6. Coexistence with Society

We will promote social contribution initiatives directed toward coexisting within society.

Furthermore, as stated in our Human Rights Policy, we require our suppliers to understand and comply with the International Labour Organization (ILO) Tripartite declaration of principles concerning multinational enterprises and social policy and ILO Declaration on Fundamental Principles and Rights at Work. We expect compliance through the voluntary efforts of our suppliers, even if the ILO principles are not adequately protected by local law.

## Partner Guidelines

We have established the Suntory Group Partner Guidelines to realize sustainable procurement throughout the value chain based on Suntory Group's Basic Policy on Sustainable Procurement, since we regard our suppliers and other business partners as those who share the same ethical values, respect human rights, and seek to protect the environment. These guidelines put in place the specific compliance items required in each field, from human rights and legal compliance to the environment, for Suntory Group suppliers and other business partners in Japan and overseas. These guidelines are to confirm that the same ethical values are shared between Suntory Group and our business partners. Compliance with our human rights commitments is a prerequisite for engaging in a business relationship with us, and we require both new and current partners to sign these guidelines. If severe human rights violations that contravene the law are discovered, and communication reveals a lack of willingness from the business partner to improve, this may lead to the termination of the contract. We are promoting joint efforts with suppliers for compliance, such as sharing the Partner Guidelines at guideline meetings or sharing related information through Sedex. In addition, in terms of human rights commitments, we request our partners to cascade down those commitments to their own suppliers.

[Suntory Group Partner Guidelines PDF](#) 

## Promoting Green Procurement

Green procurement is selecting items and services that consider the environment, such as by not including hazardous substances or efficient use of resources, when selecting ingredients, materials and equipment to purchase.

Suntory Group has established Suntory Group Green Procurement Standard (revised 2011) based on the Suntory Group's Basic Policy on Sustainable Procurement and promotes procurement activities to lower environmental impact in corporation with each business partner.

### Suntory Group Green Procurement Standard (revised 2011)

#### 1. Basic policy

Suntory Group strives to purchase ingredients, materials and services that have the lowest environmental impact as possible for items and services used in the Group to build a sustainable society.

#### 2. Prioritized items

- a) Consider not to use environmentally polluting substances, etc.
- b) Consider resource- and energy-saving through use of renewable resources, miniaturization, etc.
- c) Consider resources collection that does not damage the ecosystem
- d) Long-term use is possible through repair, parts replacement, etc.
- e) Whether if it is reusable
- f) Whether if it is design to be recyclable
- g) Whether if it is easy to dispose or treat
- h) Whether if it is environmental information about the item is disclosed
- i) Consider the items is manufactured or sold by business operator that actively engages in environmental preservation such as acquiring ISO14001



## Promotion Structure

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### Global Sustainability Committee

Suntory Group has established a system for promoting environmental management centered on the Global Sustainability Committee (GSC). Under the supervision of the Chief Sustainability Officer, GSC formulates strategies related to the 7 key themes of sustainability, which include water, climate action, raw ingredients, containers and packaging, health, human rights, and lifestyle culture. GSC also oversees the progress of these strategies and analyzes the business risks and growth opportunities, reporting to the Board of Directors on a quarterly basis.

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

## Our Initiatives

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### Supply Chain-related Human Rights Due Diligence

Suntory Group has established a Basic Policy on Sustainable Procurement, and in collaboration with our business partners, promotes initiatives to respect human rights throughout the supply chain.

In 2019, we joined Sedex, the world's largest ethical information sharing platform for suppliers. We request that our suppliers join Sedex and share information, including SAQ\* participation, to enable us to identify issues, if any.

\* Self-Assessment Questionnaire

➤ [For more information on supply chain risk assessment, see Respect for Human Rights.](#)

### Activities for Stable Procurement of Raw Ingredients

With regard to agricultural products and other raw ingredients that are essential to our products, we cooperate with business partners across the supply chain, identify social and environmental issues, and promote sustainability initiatives that enable us to grow together, thereby enriching our communities. It is predicted that extreme weather, such as drought and flooding, occurring due to the rise in the Earth's average temperature due to climate change will have a major impact on production activities, including causing fluctuations in production volumes and creating the need to move to other locations which offer suitable cultivation. Furthermore, with the increasing globalization of corporate activities, demand for right responses to social issues is growing, such as consideration for the human rights of people working in the supply chain.

To offer our customers high-quality products and services, at Suntory Group we believe it is crucial to promote sustainability throughout our entire supply chain. This means we need to give due consideration to environment and society, as well as to safety and reliability.

Based on this belief, Suntory Group is formulating long-term strategy and promoting activities for optimum and sustainable procurement throughout the Group.

### Overview of Long-term Strategy

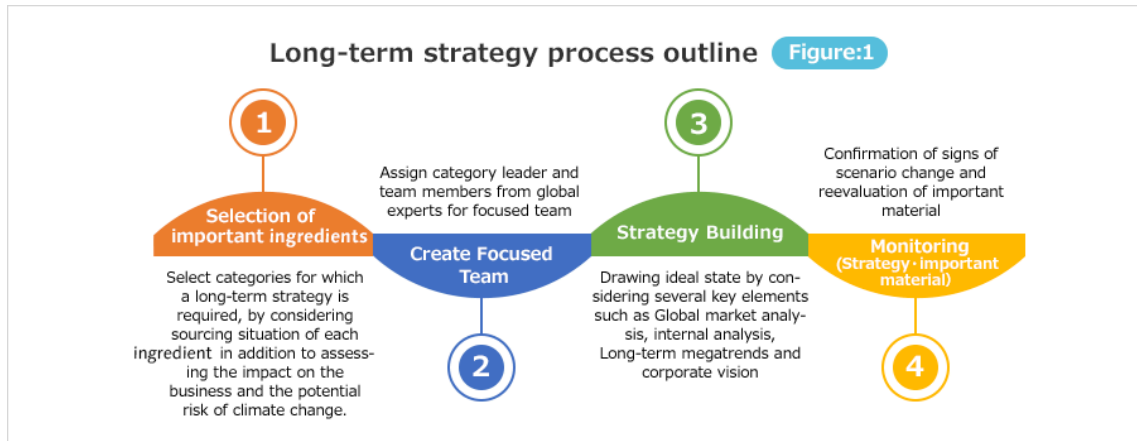
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The TCFD framework is used to formulate the strategy and we also referred to open scenarios from RCP2.6 (scenarios below 2°C), RCP 8.5 (4°C scenario) from the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA) for identifying risks and opportunities. The documents, information, and data referred to in this exercise are current as of the time of the review, and the analyses and calculations based on them are subject to uncertainty.

By focusing on our policies such as Environmental Vision toward 2050 and the Suntory Group's Basic Policy on Sustainable Procurement in addition to long-term trends specific to raw ingredients, we aim to create a vision of what we would like raw ingredient procurement to be in the future, find countermeasures based on the gaps between the current situation and be ready to respond to a wider range of social and environmental sustainability issues.

## Activity Overview

The strategy development is based on the following steps:



### 1. Selection of important raw ingredients

- Identify ingredients that are particularly important for our business activities.
- Based on the results of the assessments, the ingredients category for which long-term strategies are to be formulated are selected through consultations with related parties.

<Risk assessment process>

#### 1) Extraction of important raw ingredients

The impact is defined as the loss of product sales that the business would suffer if there were a problem with the supply of raw ingredients, and raw ingredients with a high impact were extracted as priority raw ingredients, including agricultural products such as barley and corn, the ingredient that undergo a certain processing such as sugar, vitamin C, and oak wood.

#### 2) Risk Assessment

To evaluate the possibility of problems in the supply of the extracted key raw ingredients – the effects of climate change on yield and suitable areas for cultivation, which are considered to have the greatest impact on future supply, were studied and evaluated from the research and statistical perspectives. One of the results is shown in Figure 2. For raw ingredients that undergo a certain amount of processing, the risk assessment considers the impact of climate change on the production area of the base ingredient and the ratio of raw ingredients used in the process. (Example: for sugar, see the results of climate change impact assessment for sugar cane and sugar beet)

Based on the above approach, we found that the yields of agricultural raw ingredients such as barley and corn used in both alcoholic beverages and non-alcoholic beverages, oak and hops used in the alcoholic beverage business, coffee beans used in non-alcoholic beverages, will be significantly impacted in several production areas.

**Figure 2: the results of a climate change impact study**

**4°C temperature increases scenario in 2050: Study of the effects of yield and suitable land on major raw ingredients and production area**

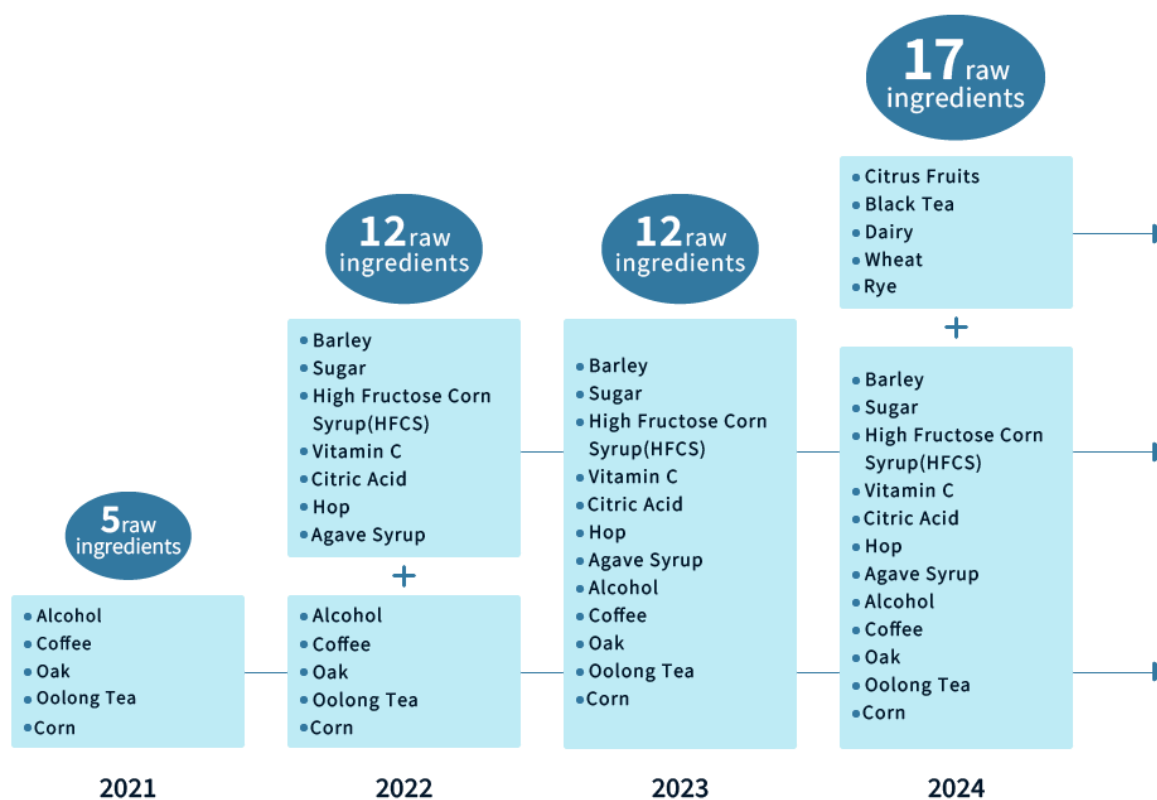
Business Sector	Raw material	North America	Latin America	Asia	-/+ Impact	
					Below 10%	More than 10% ~ below 50%
Alcoholic and non-alcoholic beverage	Barley*	Canada Yield: ↓↓				UK Yield: ↓↓ France Yield: ↓↓
Alcoholic and non-alcoholic beverage	Corn*	USA Yield: ↓	Brazil Yield: ↓	China Yield: ↓↓		

Alcoholic and non-alcoholic beverage	Sugarcane*		Brazil Yield:↑↑↑	Thailand Yield:↑↑		Australia Yield:↑↑
Alcoholic beverage	Oak	USA Wood quantity: ↑↑		Japan Suitable land : ↓↓↓	Spain Suitable land : ↓↓↓	
Alcoholic beverage	Hop	USA Yield:↓			Germany Yield:↓ Czech Yield:↓	
Non-alcoholic beverage	Coffee beans		Brazil Yield :↓↓ Colombia Yield :↓↓ Guatemala Yield :↓↓↓			

\* Include origin of processed ingredient

### 3) Formulation of activity plan

Based on the results of the survey, we consulted with the relevant departments and selected the following raw ingredient commodities (see figure below), for which we are promoting activities.



Note) Coffee refers to the results of a climate change impact study on coffee beans. Similarly, sugar refers sugarcane etc. HFCS, vitamin C, and citric acid refer to the results of a climate change impact study on corn.

### 2. Creation of focused teams

- A taskforce consisting of experts within the group from various departments such as research, development, procurement, and quality assurance is formed to work on the selected ingredients

### 3. Building strategy

- Analysis of market, company, and trends by team of experts

- Analysis of future world scenarios and description of the ideal state within those scenarios
- Design of activities by backcasting from the future world back to the present to set issues

#### 4.Strategy monitoring

- Monitoring of signs of scenario change and strategy revision based on prior assumption of change
- Analysis of future world scenarios and description of the ideal state within those scenarios
- Revising road map of strategy building by reevaluating ingredients risk

#### Strategy Execution

The long-term strategy formulated by the team of experts is discussed with each operating company to promote its activities. The Global Sustainability Committee, which is an advisory body to the Board of Directors, also discusses the strategy on a regular basis.

#### Activities in 2024

#### Strategic Implementation Based on the Roadmap Formulated in 2022







The focused task force set its time axis to 2050 with respect to the relevant raw ingredient categories, and considered publicly available scenarios from the IPCC, IEA, and other organizations. It then considered possible business impacts as of 2050 from an environmental perspective, including the impact of climate change, as well as from a social perspective, including human rights.

As part of the task force discussions, the business impact of future climate change is being assessed using S&P Global's Climanomics platform.\*

By the end of 2024, we completed the long-term strategic planning for raw material categories as outlined in our roadmap. Strategy-driven actions include participating in joint research on regenerative agriculture and disease control.

For core raw ingredients, the total business impact of the 4°C scenario as of 2050 is projected to be 8.0 billion yen (Figure. 2). Prices of coffee, oolong tea, corn, and barley are projected to rise due to falling output, raising procurement costs. At the same time, sugarcane and sugar beet prices are projected to decrease on higher output, resulting in a positive business impact.

(Figure.3) Impact on business

Key Raw Ingredients		Business Impact
	Coffee	<b>8.0</b> billion yen
	Oolong Tea	<b>0.5</b> billion yen
	Corn	<b>2.5</b> billion yen
	Barley	<b>2.0</b> billion yen
	Sugarcane	<b>-4.5</b> billion yen
	Sugar Beet	<b>-0.5</b> billion yen

**Total: 8.0 billion yen**

\* Scope of company: Suntory Global Spirits Inc., Suntory Beverage & Food Limited, Suntory Spirits Ltd.

\* Currency exchange rate 1USD=146 JPY

\* For corn, calculations included alcoholic beverage and food use, including processed raw ingredients

\* For barley, calculations were made for alcoholic beverage use only

\* Climanomics covers recommended disclosure items in accordance with the TCFD framework, based on comprehensive scientific data. By entering company information (for raw ingredients, purchase amounts) into the service, one can determine at a glance which company assets and crop-growing areas are likely to be impacted by climate change at any time up to 2100, and which areas are potentially at risk.\*

## Example of Activities Derived from Specific Strategies

Addressing human rights issues such as forced labor and child labor, as well as environmental issues including reducing greenhouse gas (GHG) emissions from agriculture, restoring soil biodiversity, and effectively using water, is becoming increasingly important upstream in the supply chain.

Suntory Group is engaged in a range of initiatives within our supply chain, in collaboration with production areas, to realize sustainable agriculture.

### 1.Participation in Sustainable Agriculture Initiatives

We are further promoting sustainable raw ingredient procurement by undertaking such initiatives as building networks, and engaging in collaboration, with companies and private organizations that are leaders in sustainable agriculture.

#### (1) Sustainable Agriculture Initiative (SAI) Platform

Recognizing the need for enhanced sustainability of agricultural raw ingredients cultivation, Suntory Group became the first Japanese company to join the Sustainable Agriculture Initiative Platform, an international organization launched in 2002.

➤ [For more information, see “Suntory Group Joins the Sustainable Agriculture Initiative \(SAI\) Platform”](#)

#### (2) VIVE

We are a member of VIVE, an international organization supporting sustainable procurement of agricultural products, mainly sugarcane, based on our sugar strategy. We were the first Japanese company to join this organization.

➤ [For more information, see “Suntory Group Joins International Organization VIVE to contribute to sustainable sugarcane procurement”](#)

### 2.Sustainable Sugar Procurement Initiatives

We are implementing the following 10 initiatives for sustainable agriculture in our supply chain.

No.	Raw Ingredients	Source	Details of Initiative
1	Coffee	Guatemala	➤ <a href="#">Promoting Sustainable Procurement in Upstream Supply Chain for Coffee &lt;Guatemala&gt;</a>
2	Coffee	Brazil	➤ <a href="#">Promoting Sustainable Procurement in Upstream Supply Chain for Coffee &lt;Brazil&gt;</a>
3	Coffee	Uganda	➤ <a href="#">Promoting Sustainable Procurement in Upstream Supply Chain for Coffee &lt;Uganda&gt;</a>
4	Corn	USA	➤ <a href="#">Collaborating with Corn Farmers to Pioneer Regenerative Agriculture</a>
5	Barley	UK	➤ <a href="#">Initiative to Procure Malting Barley Produced through Regenerative Agriculture</a>
6	Sugarcane	Thailand	➤ <a href="#">Suntory Launches Low Carbon Sugarcane Farming Project in Thailand in Collaboration with VIVE Programme and KTIS</a>
7	Agave	Mexico	—
8	Blackcurrant	UK	➤ <a href="#">Supporting Sustainable Agriculture of Blackcurrant Farmers</a>
9	Grape	Japan	➤ <a href="#">Challenging Climate Change with a New Cultivation Technique for Wine Grapes</a>

10	Oranges	France	<p>➤ For orange disease countermeasures, we carry out joint research with CIRAD (the French agricultural research and cooperation organization working for the sustainable development of tropical and Mediterranean regions)</p>
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## Next Steps

Based on the formulated strategy, we will consider and promote initiatives for regenerative agriculture, which is expected to have mitigation and adaptation effects for high climate change risk ingredients or high GHG emission risk ingredients in the future.

In Strategy Monitoring, we will periodically check for the occurrence of events such as the junctures of multiple possible scenarios and the success of technological innovations necessary to achieve the desired goals. This will enable us to capture important changes as much as possible in advance and revise the strategy to incorporate them.

We will also revise road map of strategy building by regular reevaluating ingredients risk.

## Collaboration with Suppliers

Suntory Group is promoting pioneering initiatives in collaboration with diverse partners to reduce GHG emissions and address environmental and social challenges, such as human rights, throughout the value chain.

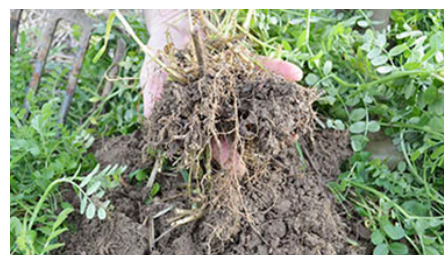
### Initiative to Procure Malting Barley Produced through Regenerative Agriculture

To reduce GHG emissions originating in raw ingredients, Suntory Group is collaborating with malt supplier Muntions, agricultural consulting firm Future Food Solutions, and barley farmers, and implementing a range of initiatives in a project to procure barley for malting produced through regenerative agriculture\*<sup>1</sup> In the United Kingdom.

Through agricultural approaches such as the use of cover crops\*<sup>2</sup> and no-till farming, the project hopes to reduce GHG emissions from agriculture by 50% within 5 years compared to conventional approaches, while regenerating soil biodiversity, enhancing soil fertility, reducing chemical fertilizer and pesticide use, and using water more effectively.

\*<sup>1</sup> Agricultural methods that focus on enhancing soil fertility by regenerating its ecosystem to make crop production sustainable

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



### Collaboration with Green Tea Production Area

In order to promote the sustainable procurement of tea leaves used for green tea beverages, Suntory Group has launched a long-term initiative in collaboration with tea production area. Collaborating with Kuma Regional Agricultural Cooperative (JA Kuma), we have succeeded in reducing GHG emissions by more than 30%\*compared to the conventional method by introducing an environmentally friendly process in the tea leaf production process at JA Kuma.

We will continue to pursue high-quality tea production and contribute to the continuation of tea production in the region and the training of successors in tea farming.

\* Emissions per unit production weight in the production of green tea raw ingredients in the process from leaves to Aracha tea



### Supporting Sustainable Agriculture of Blackcurrant Farmers

Suntory Beverage & Food Great Britain and Ireland (SBF GB&I) manufactures and sells Ribena, a soft drink loved by many in Europe and other regions. 90% of the blackcurrants grown in the UK are used by this iconic juice drink brand. SBF GB&I began supporting sustainable agriculture of blackcurrant farmers in UK from 2004. SBF GB&I employs agronomists, that directly advice farmers and design biodiversity plans according



to the biological habitat of each farm and surrounding area to protect the ecosystem of rivers and wetlands.

We also conduct research on new species of blackcurrant that are resilient to climate change. Ben Lawers, a new variety of blackcurrant that is more resilient to climate change, was harvested in 2020. This success was the result of a long-term joint research with the James Hutton Institute, a research institute for agriculture.



## > Sustainability Stories – Protecting UK Blackcurrants and Their Growers: Sustainable Agriculture Support Program

### Promoting Sustainable Procurement in Upstream Supply Chain for Coffee

#### Guatemala

Suntory Group is supporting Guatemala coffee export company Unex in promoting their “farmer aid” program aimed at helping coffee farmers tackle different environmental and social challenges and strengthen the sustainability of the coffee beans they produce. The program is based on 4 pillars: health, education, sustainability, and climate change. In 2022, Suntory group financially supported this program in 2 ways:



#### (1) Child care center in Alotenango

This child care center is open during school holidays (from October to January) and is used as a free education and recreation place for coffee farmer’s children, and also serves the purpose of minimizing the risk of child labor by taking care of the children during harvesting season. The center also provides medical services to both children and their parents.



#### (2) Coffee Farmer Training in Santa Barbara

We are supporting the current sustainable practices of the farm via training providing which benefits small producers to strengthen their coffee production and improve their families livelihood. We also empower women through farming practice trainings in order to contribute to a better livelihood for them and their families. Through the farmer aid sponsorship, we are being able to create positive impact on approximately 300 families, including children, in Guatemala.



#### Brazil

In order to expand our human rights due diligence efforts to upper tiers of our supply chain, we are formalizing a partnership with Itochu and their local partner in Brazil, Sucafina, to start a pilot program to assess and support coffee farmers in the Cerrado region of Brazil. The pilot leverages Sucafina’s responsible sourcing program “IMPACT,” and is founded on 5 main pillars: carbon emissions, deforestation, human rights, living income, and regenerative agriculture. IMPACT standard verification ensures compliance with 80 social, environmental, and economic standards modelled on the Global Coffee Platform’s Sustainability Reference

Code, with independent audits done every 3 years. Regarding human rights, IMPACT has key indicators such as health and wellbeing, forced labor, child labor, freedom of association, grievance, working hours, discrimination and land rights. From now on we will monitor and improve the working conditions of the targeted farms during the initial 3 years of this pilot.



➤ [For more information, visit the Sucafina website.](#) ➤

## Uganda

To promote environmental (GHG reduction, etc.) and human rights due diligence activities for coffee farmers in Africa, Suntory Group participated in a pilot program to evaluate and support coffee farmers in Uganda. The program, which included an examination of local conditions, was conducted by MC Agri Alliance and Olam, a Singapore-based general agricultural trading company. This pilot program utilizes Olam's AtSource sustainable procurement program to evaluate and support farmer activities to give farming guidance for enhanced livelihoods, plant trees to reduce GHG emissions and prevent deforestation, provide guidance on efficient fuel use, and improve farmers' livelihood infrastructure.

Farmers targeted by the program have virtually no gas, electricity, or water supply infrastructure, living instead by storing rainwater and burning wood. The project is providing infrastructure to support farmers' livelihood income through agricultural guidance on how to plant crops in addition to coffee that are self-sufficient and have high cash value, including bananas, soybeans, cotton, sesame, and corn, as well as improving the sanitary conditions for rainwater by installing water purification filters in order to provide safe water. Moreover, the labor involved in making firewood and cooking is not only a significant burden for women but also leads to GHG emissions and deforestation. As a measure to mitigate these impacts, we provide cooking stoves. We also conducted interviews regarding educational and medical structures for children, who make up the majority of farmers. We were able to verify that, while such school infrastructure as classrooms with desks and chairs is progressively improving, some schools lack textbooks and computers, and efforts to expand medical facilities face challenges. AtSource conducts third-party audits to evaluate support initiatives and their effectiveness. This ongoing monitoring makes possible continuous initiatives to help target farmers.



## Engagement with Local Coffee Farm to Improve Community Resilience

Suntory Group procures a portion of its coffee beans, from the "Fazenda Bau" farm, which is a specialty coffee farm in Minas Gerais, Brazil, as we aim for the highest quality and sustainable supply of coffee beans. Fazenda Bau has acquired international sustainable certifications, and their thorough quality management and workplace environment are highly praised.



Fazenda Bau has been engaging in a wide range of activities to promote sustainability, turning their attention to labor practices and the labor environment, conducting efforts such as courses on the health and safety of employees, as well as courses about motivation and human relationships in the workplace, among other initiatives. Environmental conservation activities such as separating trash and comprehensive management of the water intake as well as tree planting initiatives show their awareness regarding their impact on the environment. In addition, the Fazenda Bau have been engaging in a support project at a neighboring school since 2011 with the purpose of contributing to the local community.



## Joint research for controlling orange diseases

Suntory Group is participating in a joint research by France's CIRAD on controlling orange diseases, with a focus on citrus greening disease, considered to be one factor in declining orange yields.

Citrus greening is a bacterial disease that infects citrus fruits such as oranges. It causes a deterioration in fruit quality, including shape and taste. Orange harvests have been steadily declining in recent years, with citrus greening disease said to be one of the reasons. This joint research is taking place over a six-year period from 2024 and involves developing and cultivating orange varieties with improved resistance to citrus greening disease. Verification of adaptability will be done sequentially in Spain, Brazil, and other countries.

## Supplier Engagement and Educational Activities

Suntory Group strives to promote sustainable procurement together with all of its business partners in the supply chain. In addition to providing education to our employees, we hold annual policy briefings for our major business partners, such as raw material suppliers, contract manufacturers, and logistics partners. We are promoting better awareness and support for sustainability initiatives within each company or in cooperation with the Suntory Group by introducing Suntory Group initiatives and providing questionnaires.

### Collaboration with Logistics Partners

The Safety Promotion Committee, launched in collaboration with our logistics partners, promotes initiatives to ensure safety, environmental friendliness, and risk management. A safety promotion convention is held each year for those across Japan involved in transportation and delivery. The convention provides thorough safety education via study sessions and contests along with information sharing through outstanding case studies. Awards are presented to outstanding drivers and operation bases to raise awareness of the safety management system.

We are also working to strengthen our transportation and delivery safety management system by promoting the acquisition of G Mark Certification, which certifies business locations that have achieved safety excellence and reliability. This certification system is operated by Japan's Ministry of Land, Infrastructure, Transport and Tourism (MLIT).

### Industry Collaboration Initiatives

Suntory Group participates in the Consumer Goods Forum Japan\*, which promotes distribution networks of consumer goods across the industry, to reduce the environmental impact of the Suntory supply chain.

\* The Consumer Goods Forum Japan is an organization primarily made up of companies in the consumer goods distribution industry that engages in cooperative manufacturing, distribution and sales efforts to address common challenges in non-competitive industries in Japan.

## Rigorously Engaging in Fair and Equitable Business Practices with Business Partners

In our dealings with business partners, we provide each company with an opportunity for equitable competition in keeping with our Purchasing Control Regulations and our Business Partner Selection Standards, based on the Suntory Group's Basic Policy on Sustainable Procurement. At the same time, we fairly evaluate efforts regarding the quality and supply capabilities of the products and services, financial status, assured safety, environmental conservation, and social contribution of each company, when we select new suppliers or determine whether to continue business with our existing business partners.

By joining forces with our business partners as mutually reliable partners, we aim to provide products and services that delight our customers.

➤ [Suntory Group Code of Business Ethics](#)

# Learning & Development

## Our Approach

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The Suntory Group takes a medium-to-long-term approach to human resource development and strive to present opportunities for growth to all of our employees, regardless of nationality, age, etc.

### •Providing new challenges through growth fields (by business, region and function)


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The Suntory Group started out as a merchant in foreign liquors and expanded into beer, soft drinks, health foods, dining, flowers, and many other areas of business. We also grew internationally out of Japan, and today we do business as a manufacturer in the Americas, Europe, Asia, and Oceania, extending across functions and the value chain. As the corporate group develops further in global foods and liquors, we aim to provide ongoing opportunities for career challenges and growth for all employees through our company-wide talent development system.

### •Suntory University—a place for Suntory employees worldwide to learn, develop skills, and absorb the corporate philosophy

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The Suntory Group opened Suntory University in April 2015 for employees to strengthen our framework for day-to-day learning and build a culture of learning—for developing talent within the group. Suntory University develops a variety of programs for all employees in the group based on four aspects—cultivating a culture of self-development and continued personal growth, sharing and implementing the founding spirit, leadership development, and skills development for the future.

- [We publish the Suntory Human Capital Report, which outlines the human capital strategies and human resources policies of the Suntory Group. \(in Japanese\)](#) 
- [For more information on our Human Resource Development, DEI, and Health Management, see Group global People and Culture initiatives.](#)

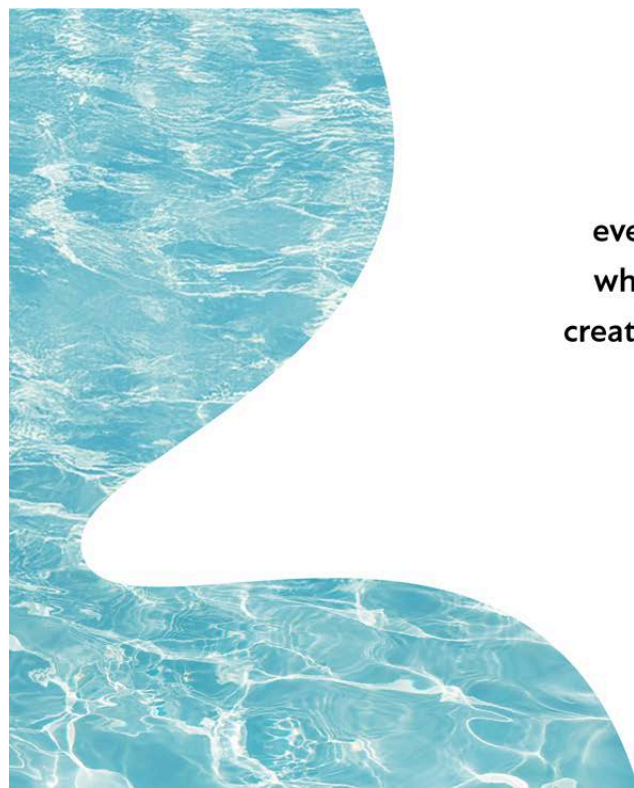


# Diversity, Equity & Inclusion

## Our Approach

The Suntory Group aims to drive growth by encouraging, learning from, and integrating the experiences and perspectives of each individual, regardless of gender, nationality, or age. By leveraging our diverse personalities, perspectives, and strengths as a team, we strive to continue creating new value and providing better products and services to our customers.

We are promoting our initiatives based on the Suntory Group's shared "DEI Vision."




### DEI VISION

Our vision is to be a company in which everyone is valued and free to be themselves, where our inclusive culture inspires dialogue, creativity and joy, and where our diversity fuels innovation and collective growth.

Uniquely **Me**  
Growing as **One**

**SUNTORY**

- For more information on our Human Resource Development, DEI, and Health Management, see Group global People and Culture initiatives.
- We publish the Suntory Human Capital Report, which outlines the human capital strategies and human resources policies of the Suntory Group. (in Japanese) 

# Health & Safety

## Our Approach

### The Suntory Group's Aim for Health Management

We believe that the health of our employees and their families is the source of workplace energy and innovation at the Suntory Group. Based on this, we aim to maintain good working conditions for all of our employees—conditions that promote positive motivation at work and excellent mental and physical health. In 2016 we set forth a Health Management Declaration, and have been implementing various measures since, led by our Global Chief Health Officer, in association with the Suntory Health Insurance Association and the Suntory Union.

### Health Management Declaration (Established in 2016)

Based on the idea that the health of our employees and their families is the source of the Suntory Group's challenge and innovation, we aim to have all employees work in a healthy and motivated state, both physically and mentally.

#### Basic Policy

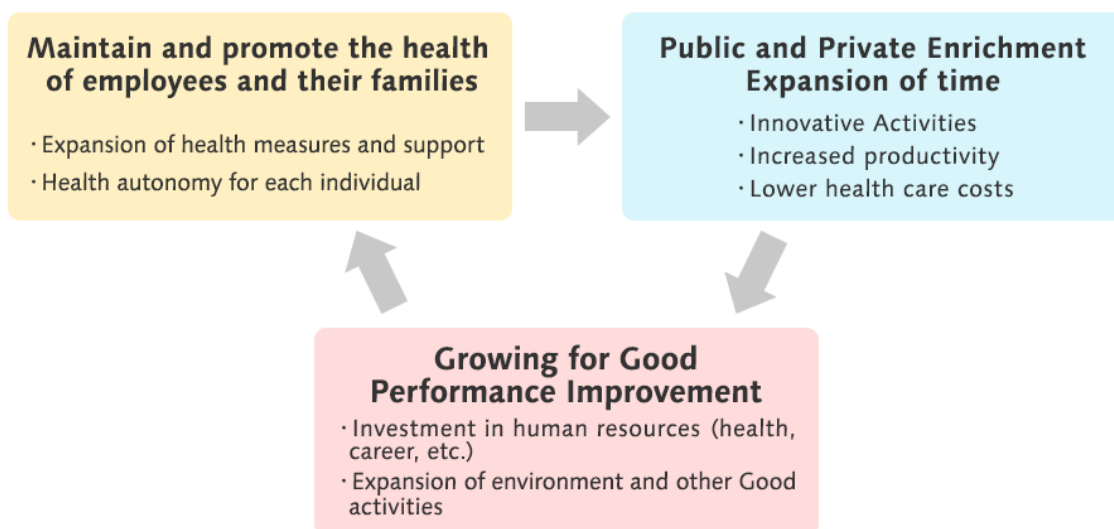
- We will promote the creation of a foundation for employee health by improving the workplace environment and through work style reform.
- We will work to improve health literacy by providing health information and individual support to employees.
- We will work to improve lifestyle habits and promote physical health through prevention, early detection, and support for balancing work and family life.
- We will provide support so that each employee can understand about mental health and take appropriate care.
- Through these efforts, we aim to help our employees and their families realize enriched, fulfilling lives.



### Significance of Health Management

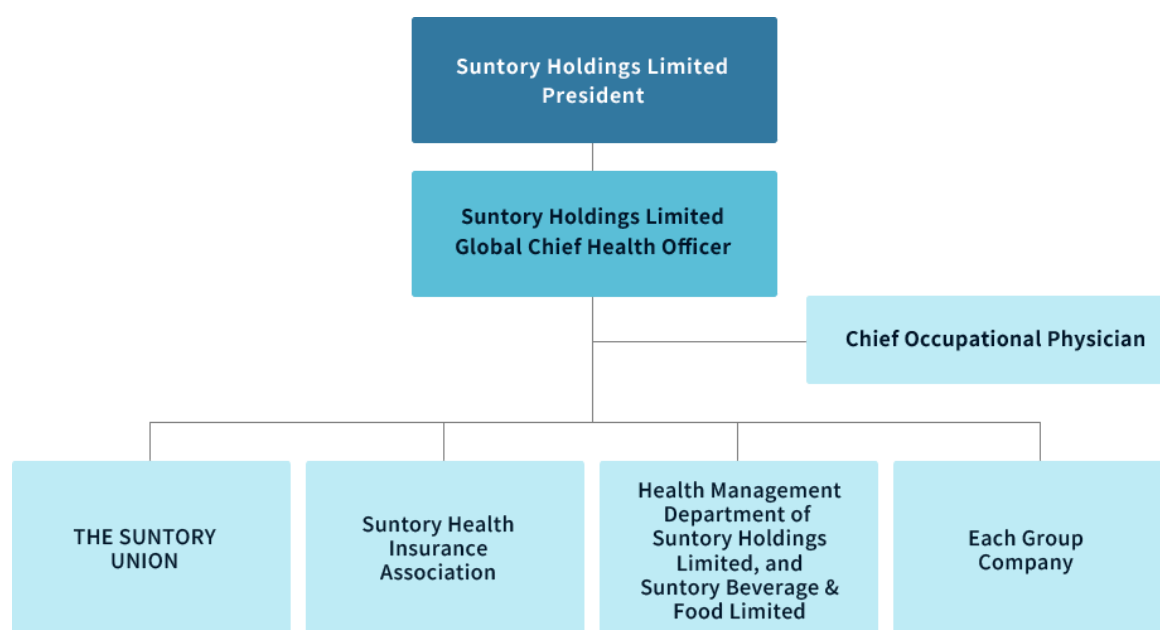
Working to maintain and improve the health of employees and their families will lead to more time for both personal and professional enrichment. As a result, business performance improves, allowing for further investment in human resources and in resolving social issues, such as environmental investment. By promoting health management, we will realize our aspiration of Growing for Good.





## Promoting Structure

### Health and Productivity Management Promoting Structure



### Major Health and Productivity Management Meetings

Meeting name	Main attendees		Meetings per year	Description
Consultative meeting with management	<ul style="list-style-type: none"> <li>• Global Chief Health Officer (GCHO)</li> <li>• Director in charge of human resources</li> <li>• Chief occupational physician</li> </ul>	<ul style="list-style-type: none"> <li>• Nursing staff</li> <li>• Persons in charge of health management department</li> </ul>	2	Confirmation of company policies and health status, discussion related to future health measures, etc.

Health Management Promotion Committee	<ul style="list-style-type: none"> <li>● Suntory Health Insurance Association</li> <li>● Chief occupational physician</li> <li>● Nursing staff</li> </ul>	<ul style="list-style-type: none"> <li>● Suntory Union</li> <li>● Persons in charge of health management department</li> </ul>	3	Evaluation and discussion of Suntory Health Insurance Association's health services and activities throughout the year
Group-Company Human Resource Managers' Meeting	<ul style="list-style-type: none"> <li>● Persons in charge of human resources at group companies</li> <li>● Nursing staff</li> </ul>	<ul style="list-style-type: none"> <li>● Persons in charge of health management department</li> </ul>	1	Confirmation of the health of employees at each group company and health measures being promoted, and discussion to make improvements
Company-wide Health and Safety Committee	<ul style="list-style-type: none"> <li>● Chief occupational physician</li> <li>● Suntory Union</li> </ul>	<ul style="list-style-type: none"> <li>● Persons in charge of labor affairs in the human resources department</li> <li>● Persons in charge of health management department</li> </ul>	1	Confirmation of the health of employees throughout the company and the status of health measures being promoted, and discussion with Suntory Union headquarters to make improvements
Nationwide Conference of Health Managers and Promoters	<ul style="list-style-type: none"> <li>● Occupational health managers and occupational health promoters at each business site</li> <li>● Chief occupational physician</li> </ul>	<ul style="list-style-type: none"> <li>● Nursing staff</li> <li>● Persons in charge of health management department</li> </ul>	1	Confirmation of the health of employees at each business site and the status of health measures being promoted, and discussion to make improvements

Safety is one of our criteria for evaluating worksite performance at our plants. Our Health and Safety Committee, which includes employee representatives, plays a central role in the promotion of activities that, based on the discussions with employees, are customized to match the characteristics and circumstances of each worksite. We will continue working to increase employee awareness and to improve their safety during working hours and commuting with the goal of zero occupational health and safety accidents.

➤ [For more information on our occupational safety achievements, see the List of achievements data.](#)

## Targets and Progress

### 2030 Mid-term Goals

	FY2023 Results	FY2030 Target
Percentage of people with exercise habits※1	55.5%	80%
Percentage of regular eating habits (breakfast intake, early dinner)	67.9%	80%
Percentage of people who can rest on their sleep	75.2%	90%
Percentage of non-smokers	83.1%	95%
Percentage of people who practice DrinkSmart※2	65.9%	90%
Result of stress checks Ratio of low-stress	92.8%	95.0%
Presenteeism※3	80.3%	90%

\*1 At least one day off per week

\*2 Those that answered "Already working on it" for a question "Do you plan to improve your lifestyle habit such as exercising and daily diet?"

## Our Initiatives

### Health Consultation Support System

Suntory has introduced a nurse in charge system where nurses are assigned to all business locations to support all employees. The nurse in charge acts as a contact point for employee consultations, while industrial physicians, psychiatrist, clinical psychotherapists, and others work together to provide consultation services and support to allow employees to work while maintaining good health.

In addition to our in-house occupational health staff, we have also set up external consultation services such as the E-Partner Consultation Service, which provides consultation on private family issues, and First Call, an online service that provides medical consultations 24 hours a day, 365 days a year.



<b>Internal Consultation Services</b>	With Nurse	Provides support as a person deeply familiar with each employee through daily contact, including health interviews.
	With Occupational Physician	With the supervising occupational physician taking a central role, occupational physicians provide post-treatment measures for regular health checkups, guidance for various interviews, and support for balancing treatment and work.
	With Psychiatrist	Psychiatrists who are familiar with mental health issues in the workplace work together with occupational physicians and nurses to support employees.
	With Clinical Psychotherapist	Counseling based on psychological knowledge is provided to care for employees who are troubled to help them resolve their problems.
<b>External Consultation Services</b>	EAP	An external consultation service that allows employees to consult with an external counselor about a variety of issues, including personal and family problems.
	Online chat-based consultation service	An online service that allows employees to consult with a doctor via chat or video phone 24 hours a day, 365 days a year.

\*1 AP (Employees Assistance Program): An employee support program provided by businesses outside the company. In response to consultations from companies, the program provides stress diagnosis, counseling (telephone counseling, e-mail counseling, and face-to-face counseling), medical recommendations, mental health education and training, consultation for human resources and managers, and programs to support an employee's return to work.

### Various Measures

As a foundation for all activities, we conduct not only regular health checkups, but also health consultations with employees conducted by in-house nurses to support individual health maintenance and encourage participation in measures tailored to each employee's condition.

## Work Environment Creation/Health Literacy Training

We are working on health literacy education to foster health awareness among the younger generation and those who are not currently experiencing any health issues. In the monthly Healthma newsletter distributed by our nursing staff, we try to make people feel closer to health by introducing health information and measures. We also strive to provide opportunities for health seminars for the entire company, as well as seminars for each office in line with the issues they face.

We promote health management while firmly connecting that management to work style innovation.

## Physical Health - Efforts for improving daily habits

Since daily lifestyle habits such as eating habits, exercise, sleep, alcohol consumption, and smoking are deeply related to the onset and progression of diseases, various measures are implemented to improve and maintain lifestyle habits. In addition to specific health guidance, we also provide guidance comparable to specific health guidance to those under 40 years old who are subject to the same criteria, and are making efforts to raise awareness among the younger generation. At the same time, we are actively recommending that they undergo re-examinations and precision examinations, and are also working to support early detection and balance health and wellness.



## Mental Health - Initiatives for Mental Health

We have created two mental health management initiatives for the prevention and early detection of mental health problems: our self-care initiatives which aim to make employees aware of stress and take appropriate measures to counter it, and our line-care initiatives in which managers strive to improve the working environment and provide individual counseling. We are properly engaged in various health care efforts that include self-care in group training, courses in employee care overseen by a line manager, introduction of complete stress checks and counseling through clinical psychologist. We have also put in place a return to work support system for employees on leave to smoothly return to work.

## Examples of Mental Health Care Initiatives

Point	Measure	Content
Self-care	Early detection and prevention through self-check	Self-check during regular check up
		Mental self-check (required for all employees once a year) and follow up for those that need attention
Line care	Raising awareness through lecture on basic knowledge about mental health	<ul style="list-style-type: none"><li>· Provide information through Mental Health Hand book that summarize basic knowledge</li><li>· Implement mental health e-learning</li><li>· Self-care lectures during group training</li><li>· Line care lecture during new manger training</li><li>· Regularly stream mini-seminars by in-house counselors</li></ul>
Care by health staff in the office	Implementing support when returning to work	Implementing a system to support returning to work with doctor specializing in mental health
	Establishing in-house consultation	<ul style="list-style-type: none"><li>Consultation by doctor specializing in mental health</li><li>Consultation by in-house career counselor</li></ul>
Care by resources outside the office	Establishing external consultation	Telephone consultation and interview by external specialized agency

## Content of the Policy

One Suntory Walk is a program aimed to raise awareness of health among the participants and make exercise a habit through competing the number of steps they take within a month. The program has been held every year since 2017 targeting all Suntory employees, totaling approximately 40,000. This event is considered to be an event that unite Suntory globally and help promote health management. Engaging in sustainability of water, source of Suntory Group's business activities, at a global scale is put forth as message and core aspect of the event to raise awareness among the employees.



## Three Core Aspects of the Event



## 2023 activity results

One of the participants commented that awareness toward number of steps taken raise during October along with the will to increase them. In addition, walking rallies are held independently at each office at the same time, proving that the exercise is becoming a habit through events. We will continue to hold this event every year with "October is One Suntory Walk month" as the slogan.

- Number of participants: **7,538**
- Steps taken and distances traveled: **13.49billionsteps (1,028,203km)**
- Participating countries: **30**
- Total donations: **75,380 USD**  
10USD was donated per participant to Charity Water
- [Charity Water](#)



Photo posted on the bulletin board by a participant

- For more information on our Health Management, we publish the [Suntory Annual Health, Labour and Welfare Report in Japanese](#).
- We publish the [Suntory Human Capital Report](#), which outlines the human capital strategies and human resources policies of the Suntory Group. (in Japanese)

# Positive Choices

## Our Policies and Approach

As a consumer-oriented company, Suntory Group aims to contribute to their overall well-being and joy in life. Through our diverse business activities, including soft drinks, health foods, and alcoholic beverages, we provide products and services while driving innovation to create value. We support enriched and fulfilling lives tailored to the various life stages of consumers.

### Soft Drinks

In addition to leveraging Japan-led research on and development of “natural and healthy” beverages, Suntory Beverage & Food addresses health and wellness concerns through beverages to allow consumers to make positive choices in pursuit of a natural, healthy, convenient and rich lifestyle.

#### Suntory Beverage & Food Limited Health Policy

1. In order to satisfy the health needs of consumers worldwide, we will continue to expand our portfolio of products which satisfy your taste buds, body and mind, as well as provide services to contribute to healthy and positive lifestyles.
2. We will perform research that contributes to the health of consumers and will develop more natural, healthy products for world by using the expertise we have cultivated in Japan over many years in developing beverages which are sugar-free, low-sugar, and fortified for better health.
3. We will base labeling and communication on the guidelines from government agencies and industry groups in each country and region, and will endeavor to make it easier for consumers to select healthy beverages.
4. We will contribute to solving global health issues through joint research with external specialized institutions and through other communication with various stakeholders.

### Alcoholic Beverages

As a provider of alcoholic beverages including beer, wine and spirits, Suntory Group seeks to inspire human connections and to celebrate the milestones of our lives. To this end, we are committed to promoting the moderate consumption of our products and encouraging responsible choices surrounding alcohol. With our Drink Smart alcohol responsibility program as a core, we work both within Suntory Group and in partnership with industry peers and other partners to reduce harmful consumption of alcohol, including overconsumption, driving under the influence, underage drinking, and drinking during and after pregnancy. We also offer non-alcoholic and low-alcoholic products to meet customer preferences and support healthy lifestyles.

➤ [Responsible Consumption - Suntory Group's Principle and Course of Action](#)

### Health Foods

With an aim to realize a society where everyone, even as they age, can live a full and fulfilling life being true to themselves, Suntory Wellness supply health foods and beauty products to a total of over 2 million customers annually through mail order. To help customers begin to live a



wellness life – a healthy, beautiful and fulfilling life, we offer reliable products harnessing the power of nature that are scientifically proven to provide health benefits, through a heart-to-heart dialogue with each customer.

## Our Initiatives

### Soft Drinks

#### Expanding Our Lineup of Products that are Healthy for the Mind and Body

For decades, the expansion of the world beverage market has been largely driven by consumer demand especially for carbonated beverages, which contain large amounts of sugar. In recent years, there has been an accelerating shift in demand toward healthier and more natural beverages. Utilizing knowledge gained through many years of research in Japan regarding the development of low- and no-sugar beverages (such as tea and water), we are developing new beverages that are healthy for the mind and body.

In Vietnam and Thailand we released Tea+ Oolong Tea, an oolong tea with Oolong Tea Polymerized Polyphenols (OTPP) that reduce fat absorption and mitigate the raise of neutral fat in blood. These products have been received positively by customers.

One of the products we have released in Europe is MayTea, a low-sugar iced tea. MayTea comes in a variety of flavors and was developed using Suntory's expertise and technologies in tea products. In addition to beverages, we also offer health foods. Under the BRAND's umbrella, we offer the much-loved Essence of Chicken supplement drink in Thailand and other Asian countries. Essence of Chicken is an all-natural extract made of fine quality chicken without artificial chemicals or preservatives.



We are developing products that contain amounts as minimal as possible of sugar, artificial coloring, and artificial flavoring.

In Europe, we have set a target to reduce the use of sugar in all our products by 35% by 2025 compared to 2015. We have already made progress toward this goal, and as the end of 2023, we have succeeded in reducing the amount of sugar used in our products by 26% compared to 2015.

We are also working to develop natural solutions that will increase value while preserving the uniqueness of our beverages. In 2023, we were able to achieve significant sugar reductions for Schweppes and Lucozade.

Alongside reducing sugar use, we are expanding our healthy product lines by actively investing in low-calorie brands.

In Oceania, we aim to increase the portion of our portfolio that is low- and no-sugar to 1/3 by 2030. As a roadmap for achieving this goal, our strategy involves 1) leveraging Suntory Group know-how to lower sugar content, 2) introducing greater choice through new products, and 3) continuing to develop small-volume sizes. By the end of 2022, we had moved to lower sugar content in our energy drinks, particularly for V, and one in six drinks we sold was already low- or no-sugar.



#### Developing Food for Specified Health Uses and Foods with Function Claims to Address Health Issues

To help address social issues such as the rise in lifestyle diseases like obesity and high blood pressure, we offer a variety of products in Japan known as Food for Specified Health Uses (FOSHU) with proven benefits backed by research. This lineup includes Kuro Oolong Tea OTTP, developed based on research showing oolong tea's polymerized polyphenols have the effect of inhibiting fat absorption; Suntory Goma Mugicha (barley tea), suited for people with high blood pressure; Pepsi Special Zero, which inhibits fat absorption; and Tokucha (FOSHU Iyemon), the world's first drink to clarify the lipolytic action of quercetin glucoside. The



portfolio also includes a wide variety of other products such as Iyemon Plus, a functional claim beverage that can lower LDL cholesterol. While seeking to eliminate negative health impacts and contribute positively to our customers' well-being, we also emphasize great taste, focusing on developing products to ensure that our products are both healthy and great-tasting.

## Reducing Artificial Colorings and Flavors

We are focusing on developing products that use a minimal amount of artificial colorings and flavors.

In Europe, we have set a target to remove artificial colorings and flavors by 2025. Recipe changes in 2023 resulted in 86% of all our products being free of artificial colors.

Additionally, 73% of our beverages use natural flavors, and in France, our product Oasis was renewed to a recipe which uses less sugar and only 100% natural ingredients.



## Appropriate Information Disclosure

Suntory Group strives to offer information related to safety and reliability to consumers in an appropriate and timely manner. We also indicate information on product labels, commercials, and ads in a way that is clear and avoid misunderstanding. Furthermore, Suntory Group's Code of Business Ethics stipulates that we must conduct responsible marketing as a corporate group that offers diverse products and services.

We promote the display of accurate product information in a way that is accessible and easily understood by consumers. In order to ensure the accuracy of product information, we collaborate with the related divisions in charge of development and production, and also confirm the compliancy and accuracy of disclosed information through our Quality Assurance Division.

In Japan, we investigate ingredients to determine the necessity of displaying nutritional information, such as energy, carbohydrates, and sodium equivalent, as well as allergens. We are sure to include not just the 8 items required by law to be shown on our labels, but the 20 items recommended to be displayed.

Suntory Beverage & Food Europe (SBFE) is a signatory to standards and guidelines for responsible marketing and labeling practices.

In Oceania, we have adopted the Health Star Rating System\* to provide easier-to-understand information that helps customers select products.

\* Health Star Rating System...A front-of-pack labeling system that ranks and labels packaged food's overall nutrition profile from half a star to five stars.

[> Product information \(ingredients, nutritional information, etc.\) \(in Japanese\)](#) [🔗](#)

## Responsible Marketing

SBFE takes the following initiatives for responsible marketing.

### UNESDA

We are signatory to UNESDA's\* responsible marketing in schools program. In strict compliance with UNESDA guidelines, we do not sell or advertise soft drinks in primary schools. For lower secondary schools where sales are permitted, only sugar-free or low-calorie soft drinks are available, and only from unbranded vending machines without logos or commercial messages.

### EU Code of Conduct on Responsible Food Business and Marketing Practices

We are a founding signatory to the 2021 EU Code of Conduct on Responsible Food Business and Marketing Practices. Through annual filings, we report on our progress regarding sustainability commitments, including our efforts to reduce sugar content.

Our commitments towards reformulation of our drinks, food waste reduction and the creation of sustainable packaging fully support the EU's objective to place healthier products on the market and to support the transition towards a circular economy.

### Marketing Code of Conduct

SBFE does not market directly to children under the age of 16 in any country where we sell our products. This restriction is in accordance with our own SBFE Responsible Code of Marketing and Communications, which was established in December 2023. We also implement initiatives in line with the policies of the countries and regions in which we operate.

## Spain

As a member of the Association for the Self-Regulation of Commercial Communication (Autocontrol), we follow the association's code of advertising practice for all our commercial communications.

## UK

We created our own code of conduct for marketing, which includes a commitment not to directly market products categorized as high in fat, sugar and salt (HFSS) to consumers under the age of 16 (18 in Ireland).

## France

We volunteered in 2009 to not communicate on screens or in magazines aimed specifically at children under the age of 12. Since 2013, our commitments go further because we prohibit all advertising in generalist programs where children constitute more than 35% of the audience. In addition to providing clear nutritional labeling to help consumers make healthier choices, we have developed educational content on our website for reference portions based on recommendations from the European Food Safety Authority (EFSA) and the French Agency for Food, Environmental and Occupational Health & Safety (ANSES).

## Oceania

Rules stipulate that children are not to be targeted with respect to products that contain a large amount sugar, such as carbonated beverages. Only water is sold directly to primary and intermediate schools in New Zealand. We are also a member of the Healthy Kids Industry Pledge in partnership with the New Zealand government.

\* UNESDA = Union of EU (European Union) Soft Drinks Associations

## Organic Product Initiatives

In Japan, Suntory Beverage & Food has released limited-edition products made exclusively from organic ingredients, including Craft Boss Special Soy and Milk Latte made with organic coffee beans and Craft Boss Tasty Sugar-Free Black Tea using organic tea leaves and organic lemon juice.

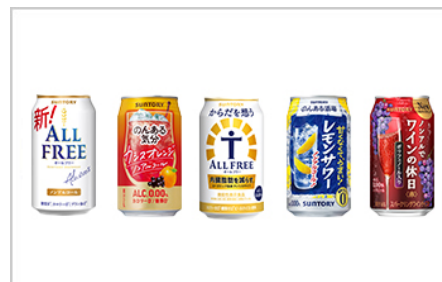
## Proposal of Healthier Lifestyle

In accordance with our aim to be a company which promotes consumer well-being, we launched the "100 Year Life Project" in 2018 in Japan. This project supports consumers in their efforts to achieve healthy and positive lifestyles in line with their own goals. We also promote joint research with external experts, conduct research and development to strengthen our portfolio of beverages that address lifestyle diseases, and run programs to improve lifestyle habits.

In Europe, we published the Moving on Health and Wellbeing Report and are promoting various initiatives such as providing active lifestyle programs to approximately one million people, reducing the amount of sugar used in our major brands by half, engaging with employees to develop more effective health programs in the office, and promoting the physical and mental wellbeing of all employees in the workplace.

## Alcoholic Beverages

In addition to raising awareness regarding responsible drinking, Suntory Group strives to promote non-alcoholic drinks for a broad range of adult consumers of legal drinking age to enjoy without worrying about the effects of alcohol. In 2010, we launched "ALL-FREE" and in 2011 "Non-aru-kibun", pioneering the creation of a market for non-alcoholic beverages with an alcohol content of 0.00%. In recent years, we have expanded our product lineup with the release of "All Free for Your Body," a food with functional claims that responds to growing health consciousness, "Non-aru-banshaku Lemon Sour Non-alcoholic," a lemon sour-flavored beverage, and "Non-aru-de-wine-no-kyujitsu," a new wine-flavored non-alcoholic beverage.



➤ [For more information, see Responsible Drinking](#)

## Health Foods

### Sesamin – From Elucidation of Function to the Launch of Health Food Product

Taking on the challenge of clarifying the functions of sesame, which has been known to be good for health, we have scientifically proven the health benefits of “Sesamin,” one of the sesame lignans found in a small amount in sesame seeds. We commercialized it into our first health food product in 1993.

Subsequently, we launched “Sesamin EX,” a powered-up version that combines vitamin E, tocotrienols, and brown rice-derived ingredient “Oryza Plus.”

Suntory Wellness also sells a variety of other health food products such as “DHA & EPA + Sesamin EX,” “Locomoa,” and “Omega Aid.”



➤ [For more information, see Suntory Wellness \(Japanese\)](#) ⇨

### Making Each Customer's Lifestyle Shine Throughout Their Lives

As customers grow older, their health conditions, way of living and purpose in life changes, resulting in greater diversity of lifestyles. At Suntory Wellness, we help customers of all ages live full and bright lives, by providing products and services that meet their individual needs throughout their lives, leveraging the power of science that we have cultivated over many years, the power of communication we have mastered through our close engagement with customers, as well as the latest digital technology.

With this in mind, Suntory Wellness promotes the “Be supporters!” project which is built around the concept of “providing opportunities to shine for everyone who wants to be excited no matter how old they are.” This project aims to make people who usually need support for daily lives such as elderly people living in nursing care facilities and people with dementia, become healthy both physically and mentally by encouraging them to become supporters of a local soccer club.



➤ [For more information, visit Suntory Wellness's official Be Supporters! website \(Japanese\)](#) ⇨

### Promoting Communication with Customers

We are delivering a wide range of information to customers through our website and booklets.



Suntory Global  
Innovation Center website



Healthy Drink NAVI website



Suntory Wellness website (Japanese)

➤ [Healthy Drink NAVI website](#) ⇨

➤ [Suntory Wellness website \(Japanese\)](#) ⇨

# Responsible Drinking

## Our Policies and Approach

As a company dedicated to the responsible manufacturing and sales of alcoholic beverages, we proactively address the issues around alcohol-related harms.

### Our way of Approach

The World Health Organization (WHO) has identified harmful drinking as one of the four major risk factors for non-communicable diseases (NCDs), including cardiovascular disease, cancer, chronic respiratory disease, and diabetes. In turn, the WHO adopted the “Global strategy to reduce the harmful use of alcohol” at its World Health Assembly held in May 2010. In response, Suntory formulated an action plan for our global strategy in 2013. This included the goal of reducing harmful use of alcohol by at least 10%, which was later raised to 20% in the second action plan in 2022. Alcohol issues are garnering more attention globally, with frameworks being established to support specific efforts in each country.

Following this global trend, in Japan the Ministry of Health, Labour and Welfare took the lead to pass the “Basic Act on Measures against Alcohol-related Harm” in 2013 and to formulate the “Basic Plan for Promotion of Measures against Alcohol-related Harm” in 2016. The Basic Plan focuses on the issues of thoroughly disseminating knowledge about the risks associated with alcohol consumption, to prevent the occurrence of alcohol-related health problems in the future, and to establish a seamless support system ranging from prevention and consultation regarding alcohol-related health problems to treatment and support for recovery. The government is working together with local governments, medical institutions, and local communities to strengthen early intervention and treatment support for alcoholism and to raise awareness. Companies that carry alcoholic beverages, including Suntory, and the food and beverage industry are also actively carrying out initiatives to convey the importance of responsible drinking. This includes sharing alcohol consumption guidelines and implementing campaigns to prevent underage drinking.

Our goal is to ensure that people have proper knowledge of alcohol and practice responsible drinking habits to lead a healthy and enriching life by getting along well with alcohol.

Reducing the harmful use of alcohol is an important issue for society. Suntory Group is actively promoting responsible marketing practices and moderate drinking awareness.

#### Responsible Consumption - Suntory Group's Principle and Course of Action (Established 2002)

##### Basic Principle

Suntory Group strives to prevent misuse of alcohol and raise awareness of responsible consumption thus contributing to healthy lifestyles:

1. We recognize the intoxicating effects of alcohol and its potential for misuse, which can lead to various physical, mental and social issues, and we strive to prevent alcohol-related harms.
2. We strive to create a culture of responsible consumption in which differences in physical constitution and conditions, as well as drinking styles or attitudes towards alcohol, are respected. We understand and respect that for some people, the best choice is not to consume alcohol.
3. We recognize that responsible consumption can support a well-balanced lifestyle and that it can play a positive role in social occasions; we strive to promote responsible consumption whenever alcohol is consumed.

##### Course of Action

1. We are committed to responsible marketing, providing consumer information and responsible product innovation.
2. We actively cooperate in social activities, including but not limited to;
  - Eliminating under legal drinking age drinking
  - Eliminating drunk driving
  - Eliminating binge drinking
  - Eliminating alcohol related harassment
3. We will comply with laws and industry standards.

## Promoting Structure

In 1976, Suntory Group established the Suntory Advertising Code, leading the industry in exercising self-regulation in its promotions and advertisements related to alcoholic beverages. We subsequently established the Alcohol Responsibility and Sustainability (ARS) Committee and the Global ARS Department in 1991 to address alcohol-related problems. We focus on (1) responsible marketing, (2) promotion of moderate drinking. In 2021, we declared the New DRINK SMART COMMITMENT<sup>\*1</sup> toward Suntory Group employees in Japan. We designate every November as the Suntory Group ARS Month and strengthen our initiatives.

<sup>\*1</sup> The DRINK SMART COMMITMENT was declared in 2018. The new COMMITMENT was declared in light of the changes in the environment surrounding alcohol since then. It consists of two tenets: "All employees have the correct knowledge about alcohol and will drink in a respectful and considerate manner." and "All employees recognize that we are a member of the world's leading liquor company group, and we will promote responsible drinking as we regard others as valued customers."

## Our Goals

Suntory Group has been leading the industry by actively addressing alcohol-related problems. We will continue to engage in initiatives to raise awareness of responsible drinking for the consumers and also for our employees globally.

### 2025-2030 Activity goals

	Key Performance Indicator	Targets
<b>[Japan]</b> <b>Share the value of alcohol and Raising awareness of responsible drinking</b>	Through seminars, we directly convey messages about the importance of responsible drinking and the value of alcohol.	200,000 people
<b>[Global]</b> <b>Raising awareness of responsible drinking</b>	Deliver a message about responsible drinking •Dissemination of messages centered on advertisements to raise awareness of responsible drinking in Japan and overseas (Deployed in various media such as SNS and websites)	1 billion people in total
<b>[Global]</b> <b>Employee Training</b>	Conduct regular employee training	Approximately 40,000 employees (annually)

Activity goals for 2022 to 2024

1. Reach out to consumers in Japan with messages of "Drink in Moderation" (by the end of 2024): Achieved in April 2024
2. Provide alcohol content information on the packaging: Achieved in March 2023



3. Employees to participate in programs aimed at raising awareness of responsible drinking(approx. 20,000 employees of domestic group companies): e-learning implementation rate over 99%

## Our Initiatives

### Practice Responsible Marketing

Recognizing that alcohol has intoxicating and addictive properties, Suntory Group has set its own stricter in-house standards in addition to the voluntary industry standards in order to engage in responsible marketing activities for alcoholic beverages.

In addition, our Global ARS Department, which specializes in alcohol-related issues, conducts internal pre-reviews of alcohol marketing based on laws and these voluntary standards.

Furthermore, we hold information sessions and e-learning programs for marketing and sales personnel of alcoholic beverages to promote responsible marketing activities.

#### Continuous Enhancement of Marketing Standards (Industry / Internal)

We support and continuously enhance self-regulatory marketing standards in partnership with the Council on Alcohol Consumption, as well as follow our own internal marketing code to correspond with societal trends. We introduced warnings for pregnant and nursing mothers in all communications beginning in 2010. Furthermore, the restriction period for television commercials on Saturdays, Sundays, and holidays has been extended from 5:00 am to 12:00 pm to 5:00 am to 6:00 pm. We have also decided to refrain from airing alcohol-related television advertisements throughout the year from 5:00 am to 6:00 pm. Based on the "Alcohol Health Disorder Countermeasures Basic Law" enacted in 2014, we are taking independent measures to prevent the abuse of alcohol such as setting the age of celebrities appearing in TV ads to 25 and older, and removing the sound effect of "gulp" when drinks go down the throat.

➤ [Self-regulatory marketing standards for alcoholic beverages \(in Japanese\)](#) 

#### 1.Promoting Non-alcoholic Drinks

Suntory Group is striving to promote non-alcoholic beverages to respond to a broad range of consumer interests and occasions.

We established the same internal marketing standards on these products as alcohol products in order to ensure that all marketing activity is directed only to legal drinking age adults in each region.

The market for low/no-alcohol beverages is expanding due to diversification of consumers drinking behaviors influenced by the COVID-19. We are going to continue to lead this growing market, by further improving the quality of our existing products and developing the new product lineup.

➤ [Suntory Group's Non-alcoholic Beverages \(in Japanese\)](#) 

#### 2.Warning Labels on Packaging

All our alcoholic beverage products carry health warning messages to pregnant and nursing women and warning messages to stop under 20 drinking, based on the voluntary standards established by the alcohol industry. We also put alcohol beverage symbols on beer and RTD (ready-to-drink) beverages that are low in alcohol to prevent accidental consumption.



#### 3.Establishing Age Verification Gates to Alcohol Brand Website

Since 2015, we have used age gates to our alcohol brand websites in order to confirm visitors are at least 20 years of age, the legal drinking age in Japan.



#### 4. Conducting Seminars for Sales and Marketing Representatives

The Global ARS Department conducts seminars for sales and marketing representatives to deepen the knowledge on the industry's voluntary code of conduct and Suntory's own marketing code. The seminar provides them with the necessary viewpoints ranging from product development to sales promotion through case studies.

## Activities to Raise Awareness of Responsible Drinking

### Internal Initiatives

As a member of a company that manufactures and sells alcoholic beverages, it is important that our employees are aware of responsible drinking at all times. We clearly state in our employment regulation that any employee who drinks and drives during or outside the working hours will be dismissed under instruction.



#### Moderate Drinking Awareness Program for Group employees in Japan

We conduct an e-learning program to raise awareness on knowledge necessary for employees of a corporate group that manufactures and sells alcoholic beverages, such as the mechanism of intoxication and differences due to genetics and physical constitution.



#### Alcohol Metabolism Genetic Testing for Group employees in Japan

We offer alcohol metabolism genetic testing to all Group employees in Japan for their consideration for others and to deepen understanding of moderate drinking.



#### Intranet Page on Global ARS

Every employee can access information regarding responsible consumption, as well as our voluntary standards, examples of responsible marketing, and seminar tools.

In addition, we also raise awareness of moderate drinking through seminars for executives and sales representatives, and "Drink in Moderation Campaign" posters.

### External Initiatives

We are committed to providing customers and consumers with information about alcohol so that they can make informed choices about alcohol and consume in moderation.

#### Suntory Activities to Promote Moderation in Consuming Alcohol

Since 1986, Suntory Group has been promoting the importance of moderation in consuming alcohol. For example, we have issued advertisements stating that alcohol should be served in moderation. In addition, since 2011, we have held seminars to raise awareness of responsible drinking for companies and local governments. And over the past 13 years, we have helped a

total of 36,000 people to understand the importance of consuming alcohol in moderation and responsibly.



To convey this message even more effectively, we launched a new campaign in November 2024. The campaign will focus on responsible, diverse ways to enjoy alcohol in moderation by exploring the cultural roots of alcoholic beverages, and will emphasize the realization of a society in harmony with alcohol through awareness of responsible drinking.

Provide alcohol content information on packaging of liquor products

We provide the alcohol content information (in grams) of our major brands sold in Japan on our website. In addition, we have labeled the amount of pure alcohol in grams per containers since 2022 (canned beer, RTD (ready to drink) and wine that are manufactured in Japan)

ザ・プレミアム・モルツ



ブレンドした華やかな香りと深いコクが特長のプレミアムビールです。日々醸造を重ねる中で条件を細かく絞り込み、製法を追求することで、心地よい後味に磨きをかけ、さらに上質な余韻を感じていただけるように仕上げました。

ブランドサイト

容量 350ml JANコード 4901777302204

賞味期間 9ヶ月

※2005年1月より瓶底から無糖の表示は行っておりません。

容器・サイズ 500ml缶 250ml缶 500ml瓶 334ml瓶

原材料	麦芽（98%国産又は国内製造）、ホップ
アルコール度数	5.5%
純アルコール量（350mlあたり）	14.0g

成分・特性

エネルギー（100mlあたり）	47kcal
たんぱく質（100mlあたり）	0.4~0.6g
脂質（100mlあたり）	0g
炭水化物（100mlあたり）	3.7g
糖類（100mlあたり）	3.6g
食物繊維（100mlあたり）	0~0.2g
食塩相当量（100mlあたり）	0~0.02g
プリン体（100mlあたり）	約11.6mg

※アルコール量は、以下の計算式に基づき記載しています。  
純アルコール量(g) = 容量(ml) × アルコール度数(%) / 100 × 0.8

※ 成分・特性について

ビール・発泡酒・新ジャンルのお酒の栄養成分一覧

こだわり酒場のレモンサワー  
〈追い足しレモン〉

栄養成分表示(100mlあたり)

エネルギー	32kcal
たんぱく質	0g
脂質	0g
炭水化物	0.5~1.0g
糖類	0g
食塩相当量	0.14~0.24g
プリン体	0mg**

\*g/100ml(食品表示基準による)  
\*\*100mlあたりプリン体0.5mg未満

純アルコール量:14.0g(350mlあたり)

Suntory receives multiple awards for its activities to raise awareness of responsible drinking

Suntory's awareness-raising activities have been highly praised from various sectors.

2002	<ul style="list-style-type: none"><li>Moderated advertising The 22nd Newspaper Advertising Awards, Award for Excellence in Independent Advertising</li></ul>
2018	<ul style="list-style-type: none"><li>Homepage The 6th Web Grand Prix Company BtoC Site Award for Excellence</li><li>Moderated poster The 38th Newspaper Advertising Awards Newspaper Advertising Award Prize</li></ul>
2023	<ul style="list-style-type: none"><li>Moderated advertising The 90th Mainichi Advertising Design Award, Food Category Award</li></ul>
2025	<ul style="list-style-type: none"><li>Moderated advertising JAGDA Award 2025</li></ul>

### ●Responsible Drinking



We have been advertising "Drink in Moderation" in national newspapers since 1986, to communicate responsible consumption through humor. In addition to newspapers, we are stepping up dissemination via social media.

➤ [Drink in Moderation \(in Japanese\)](#) [🔗](#)



On Suntory's website, we feature DRINK SMART to promote moderate consumption for the healthier and well-balanced lifestyle by understanding the facts about alcohol and enjoying it responsibly.

➤ [DRINK SMART \(in Japanese\)](#) [🔗](#)



We conduct "Drink Smart Seminars" to provide the facts about alcohol and individual differences, such as how gender, height, weight and ethnicity can affect of alcohol metabolism. We also released "DRINK SMART MOVIE" for responsible drinking.

➤ [DRINK SMART MOVIE \(in Japanese\)](#) [🔗](#)



Drink Smart Ambassadors

We encourage our employees to be a "Drink Smart Ambassador" who conduct Drink Smart Seminars for our customers and third parties.

### ●Recommend Drinking in Moderation



Raising awareness about drinking in moderation with humorous illustrations and witty approach to decline invitations to drink on non-drinking days advertisement.

➤ [Non-drinking days advertisement \(in Japanese\)](#) [🔗](#)

### ●Prevent the Abuse of Alcohol



Educational movie to prevent under age drinking

➤ [Educational movie \(in Japanese\)](#) [🔗](#)



We produced educational materials to promote responsible drinking for young people and distributed them to educational institutions, primarily universities. We also conducted on-site classes at universities using these materials.

➤ [Comic book for young people \(in Japanese\)](#) [🔗](#)



"No Binge Drinking! Campaign," collaborated with NGO - Council for the Prevention of Binge Drinking.

## Responsible Drinking Initiatives by the Alcoholic Beverage Producers Associations in Japan



We engage in the "STOP! under 20 Drinking Campaign" twice a year primarily on public transportation advertisements.



Posters to alert platform accidents by intoxicated passengers posted at major railway stations of JR West and inside railway cars



We are providing information to prevent alcohol consumption by at-risk women.

We also have been putting health warning messages on our products, advertisements, and POP materials to prevent consumption of alcohol when pregnant.

## Global Initiatives to Reduce Alcohol Issues

The World Health Organization (WHO) adopted the "Global strategy to reduce harmful use of alcohol" in 2010. Reduction of harmful effects of alcohol is one of the goals of the action plan for NCD (non-communicable diseases/lifestyle-related diseases) prevention established in 2013 as well as one of the UN SDGs (Sustainable Development Goals) in the health field established in 2015, and it is positioned as one of the global problems that must be addressed through cooperation with national governments, specialists from public health organizations, and other related parties. The manufactures of alcohol beverages are regarded as important stakeholders in these efforts.

Suntory Group is participating in the IARD organization (<http://www.iard.org/>) that makes efforts to promote responsible drinking internationally to respond to these alcohol-related issues. Since 2013, we have been working to promote the "Industry Commitment for Reducing Harmful Use of Alcohol" which involves major alcohol beverage manufacturers from around the world.

The progress of the Industry Commitment is published as a Progress Report after annual audits by an auditor.

We have also established a division dedicated to reducing harmful use of alcohol, regularly hold Global ARS Committee meetings, consolidate global marketing regulations based on a mid-term vision and promote awareness-raising programs in order to realize responsible marketing activities on a global level and raise awareness of responsible drinking.

Furthermore, as part of the Suntory Group's global Drink Smart® program, we implement measures tailored to the specific needs and cultures of each market, based on fundamental principles such as preventing underage drinking and drunk driving, raising awareness about responsible drinking, and considering those who do not drink, in cooperation with relevant organizations.

## About the IARD

The IARD (International Alliance for Responsible Drinking) is a non-profit organization headquartered in Washington D.C. in which 13 of the major alcoholic beverage manufacturers from around the world participate.

Suntory Group has participated in the IARD since its establishment as Suntory Global Spirits and has also been deeply involved in the formulation of the Industry Commitment for Reducing Harmful Use of Alcohol, an effort by the alcoholic beverage industry in response to the World Health Organization's Global Strategy to Reduce Harmful Use of Alcohol (adopted in 2010).

As part of this "Industry Commitment," IARD has been promoting efforts in the following five areas since 2013 to reduce harmful drinking:

- (1) Reduction of alcohol consumption by minors
- (2) Development and strengthening of industry voluntary standards on expression of drinking
- (3) Responsible product development and disclosure of information to consumers
- (4) Drunk driving reduction
- (5) Strengthening of collaboration with the retail field

Suntory Group's efforts in major markets including Japan and the United States have been reported and evaluated, including the distribution of educational materials for parents and children to prevent under age in Japan and education programs for drunk driving offenders in conjunction with traffic courts in the United States. These efforts unique to Suntory as well as collaborative efforts with alcohol industry associations in various countries have been highly praised.

IARD provides online training tools for retail and restaurant employees to prevent the sale of alcoholic beverages to those under the legal drinking age. In 2023, we also formed the Global Standards Coalition with more than 80 major companies around the world, including those in the distribution and advertising industries, to work to reduce the harmful use of alcohol.

In addition, an IARD CEO meeting is held annually during which serious discussions take place on matters that the liquor industry should tackle over the medium-to-long term and on a global level.



IARD Board Group meeting in 2024



Progress Report

## Activities to Raise Awareness of Responsible Drinking Around the World

### 1) Reducing Drunk Driving

#### DWI Courts

Suntory Global Spirits is a lead supporter of America's National Center for DWI Courts, designed to get hardcore offenders who are most likely to repeat the treatment they need in an evidence-based program.

### 2) Reducing High-risk Drinking in University

#### Building Resilience in Campus Communities (BRICC) Coalition

BRICC works to reduce high-risk drinking at individual, group, organization and community levels at the University of Louisville and University of Kentucky.

➤ [Suntory Global Spirits Drink Smart Website](#) 

➤ [Suntory Global Spirits Proof Positive](#) 



# Quality Management

## Our Policies and Approach

Suntory Group's "All for the Quality" policy puts quality first and is based on our founder's philosophy of crafting excellent products for consumers.

Under this quality policy, Suntory Group has established the Suntory Quality Management Regulations and the Rules for Suntory Quality, with which each Group company must comply. We strive to improve quality in all processes throughout the value chain, from R&D, product planning and design, to raw material procurement, manufacturing, logistics, and sales. We also believe it important that each and every Suntory Group employee is always aware of the importance of quality in carrying out activities, so we regularly hold quality education and awareness programs through in-house training and other programs.

All Suntory Group employees, including those outside Japan, constantly work to maintain and improve quality in order to earn even greater trust from consumers.

**Suntory Quality Policy**

# **All for the Quality\***

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**We offer products and services that meet or exceed relevant safety standards and will continue to respond to the desires of our consumers and customers and earn their trust.**

1. Each and every member of the Suntory Group wholeheartedly strives to offer products and services from the consumer's and customer's perspectives.
2. We strive to provide our consumers and customers with accurate information that is easy to understand. We earnestly listen to consumer and customer opinions and endeavor to reflect them in our products and services.
3. We abide by laws and regulations.
4. We place a very high priority on the safety of our products and services.
5. We continue to quest for even greater product quality by reference to recognized international quality standards.

\* "All for the Quality" is a slogan showing our basic philosophy to pursue product quality and safety. It should not be construed as our legal obligations or commitments.

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**SUNTORY**

## Quality Management System

Following the acceleration of global development and expansion into new fields of business, Suntory Group has been enhancing our Quality Management Systems as part of Group Governance. We installed the Quality Assurance Committee at Suntory Holdings Ltd. to promote quality management throughout the entire Group. This committee identifies quality risks and prevents trouble before it occurs in priority issues across the organization based on the Group quality strategy.

To prevent serious quality issues from occurring, management-level staff and other persons in positions of responsibility in production and

R&D are brought together for a weekly risk review meeting. Internal and external quality risks identified during the previous week are shared in a timely manner, countermeasures are discussed, and changes in potential risk factors are monitored.



Our plants have acquired international quality and food safety management system certifications such as ISO9001 and FSSC22000, and continuously work to make improvements. The Chief Quality Officer (CQO) of Suntory Holdings Limited plays a vital role in this process by strengthening the quality management capacities through holding meetings on product quality with each Group company.

Suntory Group is committed to delivering high-quality products that offer new value and are safe and reliable to delight consumers across the globe. This promise is shared within the group through the Suntory's MONOZUKURI Manufacturing Values and Code of Conduct, which we have held dear and consistently delivered on since our founding.

## Our Initiatives

### Quality Assurance across the Value Chain

Based on the Suntory Quality Policy “All for the Quality,” we continually work to maintain and improve quality in all our processes across the value chain, from R&D, product planning and development and the procurement of raw materials to manufacturing, distribution, and sales. The main quality assurance activities for each process are as follows.

Traceability\*

Water, Agricultural crops, and Natural resources

Safety Management for Ingredients and Water


The water, crops, and natural resources used in our products are carefully managed, and we ensure safety by assessing potential risks from various perspectives. We maintain strict management of raw ingredients suppliers and conduct thorough quality inspections. We also work to preserve the environment around water resources to ensure a stable supply of quality water.

Water


- Regular analysis and inspection
- Development of new water resources
- Research into water quality in Japan and overseas

Raw material

- Evaluation and selection of suppliers
- Quality auditing of suppliers
- Developing new ingredients and sustainable procurement



Regular inspection of water at the Safety Science Institute



Production site visits (Florida, U.S.A.)

227

## Research and technology development, Product planning and design

### R&D and Technological Innovation

We passionately engage in research and technological development to create attractive products that exceed consumer expectations. We use evidence-based evaluation methods to verify new materials and technologies, contributing to the improvement of product performance and taste.

### Product Planning and Design

We are committed to designing and delivering to consumers products that maximize the original flavor of ingredients. We clarify quality requirements from the product concept stage, and ensure that everything from package design to labeling is both easy to understand and compliant with legal requirements.

#### Product design Scientific evaluation



- Designs that pursue good taste and functionality
- Risk assessment, from an analytical chemistry perspective, microbiological perspective, and biological perspective, of the products to be manufactured and sold, and safety analysis and inspections



Research and development

#### Containers and packaging



- Evaluation of regulatory conformity for constituent materials
- Developing new containers and sustainable procurement
- Performance and safety evaluation

#### Product labeling



- **Accurate labeling using easy-to-understand language**
- Compliance of food labeling regulations and standards for all products

## Manufacturing

### Quality Management at the Manufacturing Stage

To provide high-quality, safe and reassuring products, each of our manufacturing plants implement thorough quality control. Our manufacturing lines use a combination of automated inspection equipment and human eye checks to prevent contamination with foreign substances and maintain hygiene, preventing the outflow of defective product.

#### Manufacturing



- Acquisition of ISO9001 certification, HACCP (Hazard Analysis Critical Control Point) recognition, and FSSC22000 recognition
- Adoption of TPM (Total Production by foreign objects)
- Preventing and checking damage to containers, spillage of contents, and contamination of contents by foreign objects
- Strengthening of food defense, including room exit/entrance management and installation of cameras



Exterior check of products

#### Premium gifts



- Safety, function, and other inspections by expert teams of premium gifts



Example of premium gifts attached to products

## Delivering

### Quality Assurance at the Logistics Stage

In order to maintain product quality, we take the utmost care for logistics. For example, we control temperature and humidity in our warehouses and take measures to reduce vibrations and shocks during transportation to help ensure that product quality remains intact throughout distribution. Additionally, we ensure traceability, enabling us to quickly identify and address any potential issues with raw materials, containers, or labeling after shipping.

## Sales

We also carefully manage store and vending machine stocks, striving to maintain quality until our products reach our customers. We also utilize customer feedback to improve our products and services so that we can provide products and services that resonate with our customers.

### Transport



- Sharing quality assurance knowledge with logistics companies
- Checking facilities, temperature, safety and hygiene in warehouses for product storage



Draft beer consumption  
quality improvement  
seminar

### Sales



- Support for sanitation management and quality control at restaurants
- Seminars on improving quality at the point of consumption aimed at business serving keg draft beer
- Hygienic management of kitchen facilities and ingredients at restaurant companies and quality assurance activities such as checking for food allergens in ingredients

## Customers

### Customer Response System

The Customer Center provides post-sale information to help ensure correct understanding of Suntory products and to build trust.

### Dissemination of information



- Easy-to-understand introduction of safety and security initiatives



Suntory Group's Quality  
Initiatives Website

#### \*Traceability

Ingredient traceability system such as using two-dimensional codes and social quality assurance activities related to sustainable procurement to realize a sustainable society

## Accurate and Easy to Understand Labeling

In terms of product labeling, the Group Quality Assurance Division has established a system to check legal compliance and appropriateness, and promotes accurate labeling and easy-to-understand expressions in collaboration with the relevant teams including development and production of each Group company.

### Examples of Labeling on Products

#### Labeling example to prevent drinking alcohol by mistake

A mark that shows that this is an alcoholic beverage is put on products to prevent people from mistaking low-alcoholic beverages for soft drinks. We also put a mark showing that "this is an alcoholic beverage" on the lid of the can and in Braille on our major products. In addition we also display "Drinking while pregnant or breastfeeding may be harmful to the development of unborn babies or infants" on products in order to evoke caution about alcohol in pregnant and nursing mothers.



## Allergen labeling

Suntory Group assesses raw materials determine the necessity to be indicated on products as allergenic. For our soft drinks, we not only comply 8 mandatory items required to put on the label by the Food Labeling Standards set by the Consumer Affairs Agency, but also include 20 recommended items.

Although alcoholic beverages are exempted from allergen labeling requirement, we voluntarily put allergen information on beverages such as beer and Chu-Hi.

## ➤ Product information (ingredients, nutritional information, etc. can be checked) (in Japanese) [🔗](#)

### "Month/year" labeling for "best-by" dates

The best-by dates of soft drinks are generally indicated by a "date/month/year." In order to reduce the environmental impact of inventory management along with ease of understanding for customers, Suntory Group is working to label products with the best-by date of 1 year or more as "month/year."

## Approach for Food Safety

To ensure our customers can confidently use our products, Suntory Group implements a variety of initiatives related to "food safety" across the entire Group. We confirm that the food additives, preservatives and other ingredients in our products are safe and in compliance with the Food Sanitation Act and other applicable laws and regulations in Japan. With regard to pesticide residues, we have established an assurance system that complies with the positive list system for agricultural chemicals. Our approach for food safety is a combination of setting strict internal standards, keeping track of pesticides, obtaining quality assurance letters from suppliers, and providing assurance through analysis. We also conduct site visits as needed for items that cannot be determined only with written documents. All food products and all pesticides are subject to regulations, and Suntory Group guarantees that the raw materials it purchases and uses comply with residue standards, thereby assuring the safety of its products. We also continue efforts to strengthen our system to guarantee all the raw materials we purchase and use, including those that have been highly processed. Specifically, we are working in cooperation with the industry to further grasp the actual status of pesticide use and expanding the scope of pesticides to be analyzed. We have also established our own traceability system.

We also take every precaution to ensure the safety of our containers and packaging. For each type of container (cans, bottles, PET bottles, paper cartons, etc.), we assess the anticipated risks at every stage from material selection to design and manufacturing in order to ensure safety and compliance with laws and regulations. For example, we conduct tests on leaching of components from the container into the contents to verify that safety standards have been met.

In terms of radioactive materials, we guarantee the safety of our products by ensuring the safety of the water and raw materials used in the manufacturing process. For water and raw materials, we obtain information from national and local governments and raw materials manufacturers, and also analyze for radioactive materials both in-house and through outside contractors to confirm safety.

To provide peace of mind to our consumers, Suntory Group conducts annual analyses of Suntory Tennensui (Mineral Water) at each water source. We also conduct an annual analysis of the water used in all non-alcoholic and alcoholic beverage products we manufacture in Japan. Through such testing, we confirm that our water is below the provisional limit for Japanese tap water (total of 50 ng/L for PFOA and PFOS combined) according to water quality management standards.

Through comprehensive efforts such as the above, Suntory Group ensures thorough quality assurance in all processes, from raw materials to when a product reaches the customer's hands. In the spirit of "All for the Quality," we will continue to pursue the highest quality and safety, and

strive to create reliable products.

## **Voluntary Recalls**

While striving for thorough quality assurance, we swiftly and appropriately disclose information if any issues arise.

During the period from January to December 2024, there were no recalls announced in newspapers or on the company's website due to violations of related regulations or our internal standards.

\* The following Suntory Group companies in Japan are eligible

Suntory Holdings Ltd., Suntory Beverage & Food Ltd., Suntory Foods Ltd., Suntory Spirits Ltd., Suntory Wellness Ltd., Suntory Flowers Ltd., Izutsu Maisen Co., Ltd., Pronto Corporation, DYNAC HOLDINGS CORPORATION, Häagen-Dazs Japan, Inc. and Monte Bussan K.K.



# Consumer-Oriented Management

## Our Policies and Approach

### Voluntary Declaration toward Consumer Orientation

Since our founding, Suntory Group has placed great importance on being consumer-oriented, sincerely listening to and engaging sincerely with our customers. This long-standing policy of consumer orientation is clearly stated in the Voluntary Declaration of Consumer Orientation.

#### Voluntary Declaration toward Consumer Orientation

Nobuhiro Torii  
President, and Member of the Board,  
Representative Director,  
Suntory Holdings Ltd.



In line with Suntory Group's Corporate Philosophy, we offer products and services of the highest quality that enrich the lives of people around the world and contribute to a sustainable natural environment.

We aim to be a "Growing for Good" company that is a good corporate citizen trusted by consumers. (April 2017 enactment)

#### Initiative Policies

##### (1) We will offer products and services that create harmony with customers

We value close communication with customers, placing top priority on the customer. We will respond sincerely to opinions and requests received from customers. We will strengthen initiatives that help to develop and improve our products and services.

##### (2) We will pursue safety and reliability for customers

Grounded in the Suntory Group All for the Quality Policy, we will continually work to maintain and improve quality in all of our processes, from planning and development of products and services, to procurement of materials such as water, agricultural products and packaging, to manufacturing, distribution, sales, and services. We will strive to improve the quality of our products and services while preventing quality risks through the Quality Assurance Committee which promotes quality management throughout the Group.

##### (3) We will utilize customer feedback in our business activities

We will share the valuable information and opinions received from customers quickly throughout the Group and reflect that feedback in our corporate activities and the actions of our employees, ranging from improving products and services to strengthening risk management.

##### (4) We will strive to provide information to customers

We will strive to use accurate indicators and easy-to-understand expressions for the labeling of our products, promotional materials and advertisements. We will also work to enhance information on our websites to enable customers to search for

themselves online, in addition to using the communications received through the Customer Center such as telephone calls, letters, and emails. We will offer quality-related information in an easy-to-understand manner for customers.

**(5) We will foster a culture and awareness among employees to take action from the viewpoint of customers**

We will continue the Customer Satisfaction Cultivation Activities to foster a corporate culture in which all of our employees consider the viewpoint of customers in their work. We will hold training programs for all employees, including those in divisions that have few opportunities to hear the views expressed directly by our customers.

## Basic Policy on Customer Satisfaction and Course of Action

Based on the Voluntary Declaration toward Consumer Orientation, the Customer Center set out its Basic Policy on Customer Satisfaction in 1999 so that each and every employee always acts with the goal of delivering customer satisfaction. We formulated the Course of Action for our Customer Center in 2002 to be put into comprehensive practice by all of the Customer Center staff.



Customer Center

### Basic Policy on Customer Satisfaction

We strive to realize, maintain and improve customer satisfaction in every way through various activities to fulfill the responsibility as a member of the society. We value communication with the customers and provide safe and reliable products and services that bring joy to the customer and gain their trust, while providing information and implementing customer feedback to our business activities.

### Course of Action for Customer Center

1. We will respond to customer inquiries and complaints in a timely, accurate and sincere manner while being fair and just.
2. We will proactively provide reliable information that brings satisfaction to the customer.
3. We will incorporate feedback and requests of the society in the company.
4. We will comply with laws and our own standards to protect the rights of the customer.

## Customer Response Standard

Suntory Holdings Ltd. and 11 Group companies\* formulated a Customer Response Standard in accordance with ISO10002 (JIS Q 10002) as a working mindset for implementing the Basic Policy on Customer Satisfaction and the Course of Action for Customer Center. The regulation recognizes the rights of customers to make inquiries and provide feedback, and clearly states our responsibility to actively respond to customers with the objective of maintaining and improving customer satisfaction through our corporate activities. In addition, we will formulate and thoroughly familiarize employees with standards and procedures based on this course of action.

\*Suntory Beverage & Food Ltd., Suntory Foods Ltd., Suntory Beverage Solution Ltd., Suntory Foods Okinawa Ltd., Suntory Products Ltd., Suntory Spirits Ltd., Okinawa Suntory Ltd., Suntory Business System Limited, Suntory Global Innovation Center Ltd., Suntory Corporate Business Ltd. and Suntory Field Expert Ltd. (as of July 2025)

The CREDO (SUNTORY MIND for Customer Service) was formulated as a doctrine for customer service in 2013 to firmly root the Basic Policy on Customer Satisfaction and the Course of Action for Customer Center in the hearts of each and every employee in their daily tasks. We created this CREDO with all the staff at the Consumer-Oriented Management Department in an effort to cultivate an organizational culture that fosters activities leading to greater customer satisfaction.

お客様への約束	一緒に働く仲間への約束	自分への約束
<p>No.4 私たちは、ひとつひとつのお問い合わせがお客様にとっては「初めて」であり、「かけがえのない出会い」と受けとめ、丁寧に誠実に向き合います。</p> <p>No.5 私たちは、お問い合わせくださったことに感謝し、ご指摘をいただいた時でも、感謝の心を忘れません。</p> <p>No.6 私たちは、一人一人のお客様の声に、素直に真摯に耳を傾け、共感に努めます。そして、お客様の心と向き合い、お客様が真に望まれていることに応えます。</p>	<p>No.7 私たちは、お客様がお問い合わせ頂いた理由や状況に想像し、常にお客様の立場に立って、お応えします。</p> <p>No.8 私たちは、お客様の心を動かすのは、誠意あるおもてなしの心であることを忘れません。</p> <p>No.9 私たちは、明るく温かい心を忘れずに、声に笑顔をはせてお客様と対話します。</p> <p>No.10 私たちは、一緒に働く仲間を信頼し、互いに尊重しあいます。そして、チームでの対応が必要な時には、みんなで連携しながら、心をひとつに最高のバトンタッチをしていきます。</p> <p>No.11 私たちは、仲間がいつもベストな状態で、最上のお客様対応が出来るようにサポートします。</p> <p>No.12 私たちは、一緒に働く仲間とのダイレクト (face to face) コミュニケーションを大切にします。</p> <p>No.13 私たちは、一緒に働く仲間に笑顔で接することを忘れません。良いところを褒めあい、高めあいながら、共に向上していきます。</p>	<p>No.14 私たちは、「サントリーグループ」の代表として、プロとしての誇りを持ち、自ら考え、お客様にとってベストな対応を目指します。</p> <p>No.15 私たちは、お客様から学び、成長し続けます。そのために世の中の変化にあわせて、果敢に変化し、進化することに挑戦します。</p> <p>No.16 私たちは、お客様からいただいたひとつひとつの声を大切に扱い、貴重な財産として、社内へ確実に伝えます。</p> <p>No.17 私たちは、お客様に喜びを与えられるように、美味しい食事や飲み物を楽しみ、楽しい会話のある生活を心がけ、自分自身の心身の健康も大切にします。</p>

**CREDO**

SUNTORY MIND  
for Customer Service

Consumer Relations Division

～ GRAND CREDO ～	
<p>私たちは、お客様に、一緒に働く仲間たちに、そして自分自身に約束したいことがあります。</p> <p>その約束が「クレド」です。</p> <p>そしてこれは、サントリーのお客様対応を担う者として、いかに行動すべきかという指針です。</p> <p>私たち一人ひとりが自分の行動を見つめ、さらに一歩前に進みたいときに、この「クレド」を読み返します。</p>	<p>No.1 私たちは、お客様の「安心」を育むものは「信頼」であり、お客様とサントリーの「信頼を築く」のは自分たちであることを忘れません。</p> <p>No.2 お客様のお役に立ちたいという心を常にもちながら誠心誠意、お応えします。</p> <p>No.3 そして、「サントリーファンづくりの最前線」に立っていることを胸に刻み、お問い合わせいただいた方に、いままで以上にサントリーを好きになってもらえるように心がけます。</p>

私たちのクレド  
これはお客様、仲間、そして自分への約束です

## Our Initiatives

### Communicating with Customers

Suntory Group has prioritized customer satisfaction and valued dialogue with customers since our founding. In 1976, we established the Consumer Affairs Department to serve as a contact point for customers. Today, Suntory Holdings Ltd's Consumer-Oriented Management Department serves as its successor and continues to reflect the opinions and requests we receive from customers in our corporate activities.

### Responding, Sharing and Utilizing Customer Feedback

Our Customer Center uses a proprietary information search system to respond quickly and accurately to customers so that those who make inquiries are not left waiting.

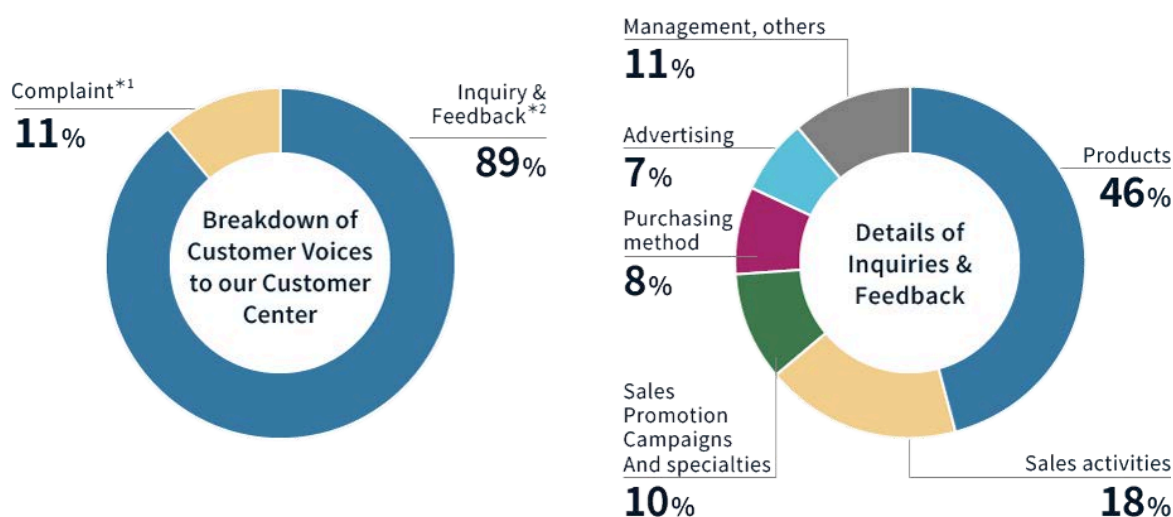
By recording the inquiry and our response in our core information management system upon receiving the inquiry, valuable information from the customers is shared immediately with relevant departments to enhance quality and improve risk management. We periodically share the feedback we receive from the customers with relevant departments to strengthen our VOC activities\* that reflect this feedback in our corporate activities and employees course for action, which includes improving our products and services and enhancing our provision of information.

\* VOC (Voice of Customer) activities: Activity to reflect customer feedback in management policy.

## Flow of customer information



## Customer voices to our Customer Center (Results of 2024: Approx. 75,000)



\*1 Complaints: Includes expressions of dissatisfaction by customers about products or corporate activities

\*2 Inquiries and feedback: Includes a wide range of questions and opinions expressed by customers other than complaints

## Valuing Customer Feedback for Product Development

We are aiming to improve quality, product development and the provision of information by incorporating opinions and requests from our customers. Having a point of view of our customers is crucial in developing products that are safe and easy to use. We carefully listen to the feedback, and aim to provide products that are kind and considerate to everyone.

We listen to customer feedback carefully and use it to continuously improve our products and services. Customer feedback regarding products of other companies and products in other categories are shared with the development division to stimulate new findings from a wider perspective and make prior checks from the customers' point of view.

The following are examples of how we have utilized actual customer feedback in our products and services, using a variety of situations as a starting point.

\* Products that are no longer sold are also shown.





## Customer feedback

I would like the caffeine content information on the “BOSS Caffeine” product to be easier to see.

## Making the most of customer feedback

The caffeine label was placed prominently on the front of the product to make it easy to understand, and the warning for children and nursing mothers was also included using noticeable colors.



\* This product is no longer available



## Customer feedback

The designs of “Horoyoi” <Iced Tea Sour> and <Cassis and Orange> are similar. Can you make them easier to distinguish?

## Making the most of customer feedback

The designs have been changed so that customers can easily distinguish them at a glance.



\* The designs have since been further revised





## Customer feedback

Are there any beverages to prevent heat stroke?

## Making the most of customer feedback

Suntory offers a wide product lineup of beverages containing moderate amounts of salt, which are effective in combating heat stroke.



## Customer feedback

Can "Iyemon green tea 'Ocha Dozo'" be heated using a warmer?

## Making the most of customer feedback

The bottle was not originally designed to be heated, but now it can be used both cold and hot, and can also be heated in using a warmer or other device. To make it easier to understand that the bottle can be used both cold and hot, the phrase "Delicious both cold and hot" has been added to the product itself.

【Before】

【After】





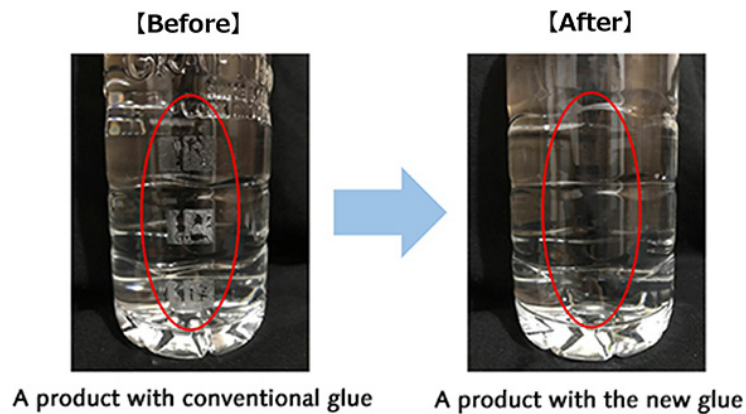


### Customer feedback

The labels on the PET bottles are difficult to remove. Sometimes glue is left behind.

### Making the most of customer feedback

We have developed a glue that is easier to peel off than conventional glues while maintaining the same adhesive strength. The new glue will be applied progressively to a wide range of products in the future.

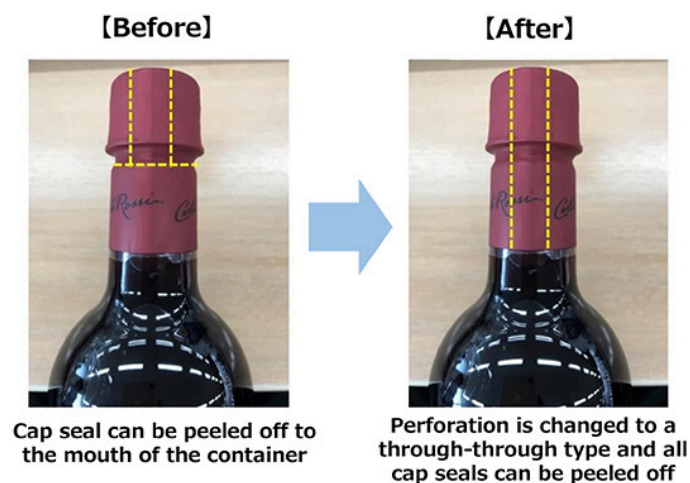


### Customer feedback

There is no cut line at the bottom of the wine cap seal, making it difficult to remove from the container when sorting.

### Making the most of customer feedback

To make it easier for customers to remove, we have added the cut line to the cap sticker of all PET bottled wines.



## Expanding communication outlets: Use of Digital and Social Media tools

In addition to communication by telephone, letter, and email through the Customer Center, we are working to enhance the information on the Customer Center website by utilizing photos and illustrations for customers who search for information through the website. In addition, we have prepared an inquiry form in English to respond to inquiries from overseas customers. We opened a LINE customer service center in 2022 and continue to create an environment where customers can easily contact us.



Suntory Customer Center website (PC)



Suntory LINE app Customer Service

[▶ Suntory Customer Center website](#)

## Communicating Our Consumer-Oriented Initiatives to Society

Suntory Group actively communicates our consumer-oriented management philosophy and initiatives through various media and activities.

### Voluntary Declaration toward Consumer Orientation and Activity Report

The specific activities we have undertaken based on the Voluntary Declaration toward Consumer Orientation are disclosed to society annually through our corporate sustainability website. In January 2020, we were selected received the 2019 Consumer Affairs Agency Commissioner Award for Consumer-Oriented Management in recognition of our good practices.

As a company that discloses its Voluntary Declaration toward Consumer Orientation, we have provided the declaration and content of activities on the Customer Affairs Agency website.

[▶ For detailed archives of our sustainability website, see Reporting Archive.](#)

## Employees with Consumer-Oriented Mindset

In order to promote consumer-oriented management, we conduct enlightenment activities for employees for nurturing consumer-oriented mindset.

### Continuing to Meet Consumers Expectations

We focus on consumer-oriented enlightenment activities and culture-building, with the aim that each employee will deepen his or her understanding of changes in customer attitudes and interests, and be capable of delivering products and services that exceed customer expectations.

## Overview of Internal Enlightenment Activities

### Consumer-Oriented Awareness-raising Company-wide Activities

Initiative	Target	2024 results
Top commitment (Homepage/Video)	All employees	Held in May
Seminar for Taking Prudent Consumer-Oriented Actions	All employees	Held from November to January 2024
Consumer Orientation Month	All employees	Held in May
On-site Customer Relations Promotion Leaders	All sales sites	Held year-round
VOC* Monitoring by Management	Executive	Held in March

### Human Resource Development

Initiative (Suntory University)	Target	2024 results
New manager training	New managers	Held in February and August
4th year training	4th year employees	Held in October
New employee training	New employees	Held in April

### Enhancing VOC Contact Points

Initiative	Target	2024 results
Monthly report	All employees	Once a month
Weekly report	Management Level	Once a week

\* VOC : Voice of Customer

### Consumer-Oriented Awareness-raising Company-wide Activities

#### Seminar for Taking Prudent Consumer-Oriented Actions

We hold the Consumer-Oriented Action Brush-up Seminar annually for all employees. Each employee listens to voices including the words of encouragement from customers and is presented with examples of consumer-oriented activities being undertaken at each site in the company to deepen a consumer-oriented mindset and encourage action. After attending the seminar, each employee declares what he or she can do as an individual "Consumer-Oriented Action Declaration". In addition, the seminar is widely distributed to Group companies in a form that makes it easier for them to take the seminar, such as by video distribution, and the entire Suntory Group is working to firmly establish consumer-oriented behavior.



Message from the President



Video Introducing examples of consumer-oriented activities

### Month for Enhancing Suntory's Consumer-Oriented Spirit

Every May is designated as the Month for Enhancing Suntory's Consumer-Oriented Spirit. It applies to all Suntory Group companies in around the world and presents an annual opportunity to think about consumer-oriented spirit and reaffirm the significance of consumer orientation and the need to take prudent actions, both on an organizational and individual basis.

Each department recalls their specific day-to-day tasks and discuss what they are doing or not doing in terms of consumer orientation. It also provides an opportunity to reflect upon the Consumer-Oriented Action Declaration issued at the beginning of the year and serves as a catalyst for having a consumer-oriented spirit to take prudent actions.

## The System for On-site Customer Relations Promotion Leaders

Beginning in 2018, we have assigned "Customer Relations Promotion Leaders" to play a central role in further penetrating and establishing customer orientation, particularly at sales offices that have many direct points of contact with customers.

## VOC Monitoring by Management

At Suntory Group, we provide a program for management to listen to calls from customers received by the Customer Center in real-time. They can hear the questions, concerns and opinions that customers have about Suntory Group products and services in daily life. This puts in place an opportunity to utilize all of this customer feedback to better address their needs.



President Torii listening to customer feedback

## Talent Development at Every Level



As a part of our talent development program, we carry out training in line with the career path of each employee. During new employee training, participants will learn about the Suntory Group's consumer-oriented spirit continuously passed down since its foundation. Employees in their third year listen in groups to customer feedback and discuss their thoughts and expectations to learn more about the importance of consumer orientation. Employees who are being promoted to management are practically educated on consumer-oriented decision-making such as through group discussions based on business experiences.

## Enhancing Opportunities for Employees to Listen to Customers

We engage in activities to strengthen opportunities to share customer feedback with employees, including those who do not have the opportunity to directly interact with customers.

## Disseminate Customer Feedback through Monthly Reports and Weekly Reports

We share customer opinions and requests widely within the company on a weekly and monthly basis via the intranet and e-mail. The aim is for employees to consider this feedback about our products and corporate activities, and link them to their own work and actions. Employee opinions and impressions about this customer feedback are also posted, allowing employees to exchange opinions and consider perceptions different from their own.

※掲載内容については開示範囲をサントリーグループ内限定としています。



2025年3月  
サントリーグループ社員への感謝の声



2025年3月  
『おうちドリンクバー ペプシコーラ』新発売 反響



2025年3月  
『PSB』リニューアル反響



2025年2月  
『山崎蒸溜所』『白州蒸溜所』見学 反響



2025年2月  
サントリー自販機キャッシュレスアプリ『ジハンビ』北海道先行設置 反響



2025年2月  
2024年お客様センターへの声の傾向



2025年1月  
2024年 ハーモニクスレポート 閲覧数 ランキング TOP10



2025年1月  
『こだわり酒場のレモンサワー<みぞれモン>』期間限定新発売 反響

Harmonics Report provided to employees via our intranet

# Communities

## Our Policies and Approach

### Basic Policy on Social Activities

Suntory Group has long been involved in community contribution, arts, culture, sports and environmental activities based on the spirit of Giving Back to Society. Through our social activities, we aim to contribute to the sustainable growth of our business as well as solutions to social.

#### Suntory Group Basic Policy on Social Activities

Suntory Group follows the principle of “Giving Back to Society” established by our founder. We have actively engaged in social contribution efforts to help realize a society where people can enjoy a fulfilling and rich life.

To realize our corporate philosophy, “To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature,” we strive to deliver the highest quality products and services to customers while fulfilling our social responsibilities to achieve a prosperous society and a sustainable global environment.

1. Promote activities based on the standpoint of the next generation and actual situation worldwide together with our employees around the fields of arts and culture, sports, social welfare, and the natural environment.
2. Focus on a dialog with stakeholders and work to generate links and cooperation.
3. Support wide-ranged volunteer activities by employees.

## Our Initiatives

### Social Contribution and Welfare

#### Support through the Social Welfare Organization

##### Social Welfare Organization Hojukai

Hojukai began with the establishment of the “Imamiya Dispensary” free clinic in the Airin district of Osaka City in 1921 by Suntory founder Shinjiro Torii to assist people living in financial hardship based on his strong belief in social contribution. The Hojukai was named by combining one Japanese kanji character of Shinjiro Torii's wife's name and one Japanese kanji character from our Kotobukiya company name from that time. During the turmoil after the Second World War, accommodation was provided for victims of war, returnees, and those without family, and this facility was carried on as a special elderly nursing home and nursery school. Since then, Hojukai continued activities as a social welfare organization and today it operates Takadonoen (special care facility for seniors established in 1974), Domyoji-Takadonoen (a general-purpose welfare facility established in 2008), the Tsubomi Nursery School (established in 1975), and the West Asahi-ku Community General Support Center (commissioned by Osaka City in April 2011).

To respond to the current needs, Hojukai has been putting efforts in at-home nursing care services such as home-visit nursing care, outpatient



nursing care, and in-home long-term nursing care services. In the spring of 2017, Tsubomi Nursery School moved to a new premise with the aim to become an even more unique and comfortable facility as well as a nursery school that nurtures a wealth of sensibility.

Hojukai, the first corporation to conduct social welfare activities in Osaka, celebrates its 100th anniversary in 2021.

In recent years, we have also been holding activities such as calisthenics classes and health talks for local residents, dementia prevention seminars, and parenting circles. In addition to providing meals, Takadono 5-chome Shokudo and Takadonoen Hiroppa provide a place for children to belong through play, events, and experiences. They also offer learning support and access to child-rearing support closely in tune with the local community. We practice the Hojukai philosophy of "living together with smiles and compassion, sharing comfort and joy" and implement activities that contribute to the local community.



Takadonoen, special care facility for the elderly and Tsubomi Nursery School



Domyoji-Takadonoen, a general-purpose welfare facility



West Asahi-ku Community General Support Center



Takadonoen, Takadono 5-chome Shokudo



Domyoji-Takadonoen Hiroppa Autumn Festival

➤ [For more information, see Social Welfare Organization Hojukai \(in Japanese\)](#) [🔗](#)

## Donating Suntory Products to Children's Homes by Supporting Food Bank Activities

Suntory Group has donated food and softdrinks to entities such as orphanages, welfare institutes, community centers, and disaster affected areas through the Second Harvest Japan non-profit organization that engages in food bank activities. The products that are donated are given under the condition that they have the same quality as the products sold commercially. We also conduct the same level of quality assurance, customer service, and all other operations for those products as the products sold commercially.

Additionally, we support Good Neighbors Japan, an authorized NPO that runs "Good Gohan," a food bank for single-parent families, as a way for employees to volunteer. Every year before summer vacation and other long holidays and at the end of the year, we carry out an initiative to donate large amounts of food and beverages to single-parent households and children.



Endowments to inner-city children homes

## Engaging in Charitable and Voluntary Activities

Suntory Group continues to conduct community contribution activities through charity events.

### Employee Volunteer Activities

Suntory Group conducts a wide range of social contribution activities based on our spirits of Giving Back to Society. At the same time, we believe that it is important for each employee to have rich connections with society as a good person.

We encourage employees to utilize the time created through work style reform promoted throughout the entire Group to participate in employee volunteer activities to discover new value and serve as opportunities for individual growth. We have also introduced a volunteer

leave program to support employees taking part in volunteer activities. In fiscal 2024, 22 employees took a total of 32 days of volunteer leave. We will continue to raise awareness of the program and encourage its use in an effort to deepen our ties with local communities.

- **Volunteer Web and Donation Website**

To allow employees to easily participate in volunteer work, we have set up Volunteer Web, a website that lists volunteer opportunities Suntory employees can apply for according to area and day. We also offer volunteer opportunities at work or at home and donate food to single-parent families experiencing economic hardship. We launched a Donation Website to collect donations for organizations working on social issues during "Mutual Aid Month" at the end of the year.

- **Volunteering at Related Organizations and Events**

Each year Suntory Group employees perform gardening, window cleaning, provide management support for sports events, and other work together with facility staff at elderly care facilities and child daycare centers operated by the social welfare organization Hojukai.

New employees of Suntory Group also participate in volunteer activities such as road cleaning and weed removal after receiving training at each facility regarding the history of the Hojukai and the founder's ideas about social contribution.

- **Volunteering in Areas Affected by Natural Disasters**

After the torrential rains in Western Japan in 2018 and Typhoon Hagibis in 2019, Suntory as a company donated money and supplies products to the areas affected, and employee volunteers were also sent to help those affected on the ground. Over the past two years, more than 200 employees have helped in Okayama, Tochigi, Nagano and other prefectures by, for example, shoveling mud from under floorboards of damaged homes, removing furniture and cleaning up apple orchards.

In support of the areas affected by the Noto Peninsula Earthquake of 2024, Suntory employees from across Japan donated approximately 7.3 million yen in response to a call from our Donation Website at the beginning of the year. Around 200 employees volunteered to support the affected areas, including cleaning up damaged homes.

- **Volunteer Clean-up Activities at Offices Nationwide**

Suntory Group's business locations across Japan take part in environment beautification efforts through clean ups organized by local governments and other actions.

- **Employee Secondment to NPOs**

In 2024, we began the secondment of employees to NPOs engaged in next-generational empowerment activities that share our awareness of issues. In 2024, one employee was seconded to each of three organizations. We intend to continue providing personnel support to NPOs that collaborate with us in next-generation empowerment activities. This marks one step further in social participation for both employees and Suntory as a whole.

- **Suntory Group's Initiatives around the World**

Around 1,000 employees of Suntory Global Spirits representing 12 countries participated in local community contribution activities under the slogan "Together for Good."

Additionally, Suntory Beverage & Food Europe has established its own volunteer platform, with around 1,000 employees giving back to society under the slogan "Do Good."

## **Suntory Ladies Open Golf Tournament**

The "Suntory Ladies Open Golf Tournament," which began in 1990, contributed entry fees from the amateur-pro charity tournament and proceeds from the charity corner to aid Kobe City's earthquake reconstruction and the creation of a safe and secure community from 1995 after the Great Hanshin-Awaji Earthquake until 2010.

Since 2011, we have donated fire trucks and other equipment to Natori City and Sendai City in Miyagi Prefecture as support for disaster-affected areas that were severely damaged by the Great East Japan Earthquake. Since 2016, we have been providing recovery support to areas affected by the Kumamoto Earthquake and the Great East Japan Earthquake. During the COVID-19 pandemic, we donated to Hyogo Prefecture to support frontline medical workers.

Currently, our activities include support for junior golfers and the development of the golf industry, and we will continue to engage in charitable activities that meet the challenges of the times.



A Fire truck donated to Natori City, Miyagi Prefecture

## Suntory Dream Match

We use a portion of the proceeds from "Suntory Dream Match," an event held since 1995, to conduct charity activities centered on baseball and catch-ball classes for children, taught by former professional baseball players.



A baseball workshop held in Kumamoto Prefecture in November 2020



Catch ball class in disaster affected areas using charity

## Support for Disaster Areas

Suntory Group provides ongoing support for the reconstruction efforts following the Great East Japan Earthquake, Kumamoto Earthquake, and Noto Peninsula Earthquake.



## Disaster Recovery Support

Year	Incident	Amount Donated	Beneficiary	News Release
2010	2010 Canterbury (Darfield) Earthquake (New Zealand's South Island)	3.25 million yen	Christchurch Earthquake Appeal Trust	

2010	Haund-foot-and-mouth Disease Outbreak in Miyazaki Prefecture	10 million yen	Miyazaki Prefecture, and the Miyazaki Community Chest Association Social Welfare Organization	Suntory Relief Aid for Haund-foot-and-mouth Disease in Miyazaki Prefecture (in Japanese only)
2010	Chilean Earthquake	50 million yen	Chile Embassy	Suntory Relief Aid for Earthquake Recovery in Chile
2010	Haiti Earthquake	10 million yen	The Japanese Red Cross Society	Suntory Haiti Earthquake Aid
2011	Thailand Floods	Approx. 2.5 million yen	The Government of the Kingdom of Thailand	Support for Recovery from Flood Damage in Thailand
2011	Christchurch Earthquake (New Zealand's South Island)	6.2 million yen	New Zealand Red Cross	Earthquake Relief Donation, to New Zealand
2011	Queensland Floods, Australia	8 million yen	Queensland Fund, Disaster Relief Appeal	Flood Relief Donation to Queensland, Australia
2011~	Great East Japan Earthquake	4.3 billion yen in 2011 2.0 billion yen in 2012 2.5 billion yen in 2013 2.0 billion yen in 2014 (total: 10.8 billion yen)	Iwate Prefecture, Miyagi Prefecture, Fukushima Prefecture, Save The Children Japan, et al.	Relief Donation for Earthquake in the Tohoku Region of Japan
2014	Landslide disasters in Hiroshima	1 million yen	Chugoku Shimbun Social Welfare Services Corporation	
2015	Nepal Earthquake	3 million yen	Nepal Earthquake	
2016	Kumamoto Earthquake	100 million yen in May 2016 300 million yen in October 2016	Kumamoto Prefecture	Release of Contributions to Kumamoto Prefecture
2017	Storm Disaster in Northern Kyushu	Fukuoka Prefecture (5 million yen) Oita Prefecture (5 million yen)	Fukuoka Prefecture/Oita Prefecture	Relief Donation for the Storm Disaster in Northern Kyushu
2017	Massive Hurricane Disaster in United States	Approx. 110 million yen (1 million dollars)	American Red Cross	About Aid Following the Massive Hurricane Disasters in the United States
2017	Earthquake in Mexico	Approx. 22 million yen (200,000 dollars)	Mexican Red Cross	About Aid Following the Earthquake in Mexico

2017	Hurricane Maria, the Virgin Islands	Approx. 55 million yen (500,000 dollars)	Virgin Islands Aid Fund	
2018	Torrential Rains of July 2018 (in Western Japan)	900 million yen (Hiroshima, Okayama, and Ehime Prefectures received 300 million yen each)	Hiroshima Prefecture: Japanese Red Cross Society Hiroshima Okayama and Ehime Prefectures: Aid provided directly to each prefectural government	Information About the Donations for the Torrential Rains of July 2018
2018	Hokkaido Eastern Iburi Earthquake	100 million yen	Hokkaido	Information About Support Provided for the 2018 Hokkaido Eastern Iburi Earthquake
2018	Midousuji Gingko Namiki Damage by Typhoon No.21	Approx. 50 million yen	Osaka City	

close —

Year	Incident	Amount Donated	Beneficiary	News Release
2019	Typhoon No.15	50 million yen	Chiba Prefecture	<a href="#">➤ Suntory Pledges ¥50 million to support Typhoon No. 15 Relief and Recovery</a>
2019	Typhoon No.19	550 million yen	Iwate Prefecture, Miyagi Prefecture, Fukushima Prefecture, Ibaraki Prefecture, Tochigi Prefecture, Gunma Prefecture, Saitama Prefecture, Kanagawa Prefecture, Niigata Prefecture, Nagano Prefecture and Shizuoka Prefecture	<a href="#">➤ Suntory Pledges ¥550 million to support Typhoon No. 19 Relief and Recovery</a>
2020	Bushfire Relief and recovery in Australia	\$500,000 AUD	Australian Red Cross, the New South Wales Rural Fire Service and the New South Wales Wildlife Information Rescue and Education Service (WIREs)	<a href="#">➤ SUNTORY GROUP PLEDGES \$500,000 TO SUPPORT BUSHFIRE RELIEF AND RECOVERY IN AUSTRALIA</a>
2020	Australian Bushfires	50 million yen	Kumamoto Prefecture	<a href="#">➤ Suntory Pledges ¥50 million to support the Relief and Recovery of the Kumamoto area affected by the heavy rain</a>
2021	COVID-19 Relief in India	\$600,000 (approx. INR 44,184,000)	British Asian Trust Confederation of Indian Industry National Restaurant Association of India Government-led relief efforts	<a href="#">➤ Suntory Holdings and Beam Suntory Donate \$600,000 to Organizations Supporting COVID-19 Relief in India</a>



2021	Tornados in Kentucky	\$1 million	Team Western Kentucky Tornado Relief Fund American Red Cross's Disaster Relief Fund	➤ <b>SUNTORY HOLDINGS AND BEAM SUNTORY CONTRIBUTE \$1 MILLION TO SUPPORT RECOVERY FROM DEVASTATING TORNADOS IN KENTUCKY</b>
2022	Tonga's Volcanic Eruption and Tsunami	US \$87,700 (10 million Japanese yen)	Kingdom of Tonga	➤ <b>Suntory Group to Donate Over US \$100,000 to Support Tonga's Volcanic Eruption and Tsunami Response</b>
2022	Humanitarian Assistance in Ukraine	\$600,000	Humanitarian organizations such as the United Nations World Food Programme (WFP)	➤ <b>Suntory Group to Support Humanitarian Relief Efforts in Ukraine</b>
2023	Maui Fire and Disaster Relief	US \$70,000	Maui Strong Fund, Hawai'i Community Foundation	➤ <b>Suntory Holdings to Donate US \$70,000 To Support the Maui Fire and Disaster Relief</b>
2023	Aid for hurricane damage in southern Mexico	100,000 US dollars (approx. 15.1 million yen)	Mexican Red Cross(Cruz Roja Mexicana)	➤ <b>Suntory Holdings to Donate US \$100,000 To Support the Hurricane Disaster Relief in Mexico</b>
2024	Disaster relief following the 2024 Noto Peninsula Earthquake	50 million yen Approximately 180,000 bottles of Suntory Tennensui (Mineral Water), etc.	Affected areas	➤ <b>About Suntory's support for damage caused by the 2024 Noto Peninsula Earthquake</b> <a href="#">↗</a>
2024	Disaster relief following the heavy rains that hit Noto Peninsula in 2024	50 million yen	Affected areas	➤ <b>Suntory Holdings to Donate 50 Million Japanese Yen to Support the Heavy Rain Disaster Relief in Noto Peninsula</b>

### Providing Free Beverages When Disasters Strike

Suntory Foods Ltd. has developed and is furthering the installation of emergency beverage vending machines. This system normally sells beverages from vending machines in peace times but will provide them for free during emergencies such as when disasters strike. Beverages can be easily accessed even if the power goes out. We are furthering the installation on premises with focus on public facilities and hospitals.



Emergency beverage vending machine

### Coexisting with Communities around Our Plants

Suntory Group's major plants are making efforts to proactively engage in dialogue with local residents. We also work to provide venues for interacting with the local community through measures such as opening parks and trails created at our plants. We have third parties conduct environmental impact assessments when we construct new plants and work to get the understanding of the people who neighbor the site. We also make efforts to harmonize the plants with nature by preserving the sites' biodiversity and pursuing greening initiatives on their grounds.



## Promoting Greening of Plants

Suntory Group's plants consider biodiversity and promote greening that is in harmony with local environment, receiving awards in various locations as model green plants.

### Model greening plant commendation (hosted by Japan Greenery Research and Development Center)

Year of commendation	Plant of commendation	Name of commendation
1987	Suntory Tonegawa Brewery	Tokyo Commerce and Industry Bureau Director's Award
1989	Hakushu Distillery	Prime Minister's Award
1993	Azusa-No-Mori Plant	Minister's Commerce and Industry Prize
2002	Yamazaki Distillery	Minister Prize of Economic, Trade and Industry
2006	Kyushu Kumamoto Plant	Japan Greenery Research and Development Center Award
2008	Takasago Plant	Japan Greenery Research and Development Center Award
2014	Suntory Tonegawa Brewery	Minister Prize of Economic, Trade and Industry
2014	Kyushu Kumamoto Plant	Minister Prize of Economic, Trade and Industry
2014	Haruna Plant	Japan Greenery Research and Development Center Award
2019	Kyushu Kumamoto Plant	Prime Minister's Award
2023	Kita Alps Shinano-no-Mori Water Plant	Japan Greenery Research and Development Center Award

### Other greenification commendations

Year of commendation	Plant of commendation	Name of commendation	Hosted by
1986	Kyushu Kumamoto Plant	Kyushu Bureau of Economy, Trade and Industry Greenery Award	Kyushu Bureau of Economy, Trade and Industry
1997	Suntory Tonegawa Brewery	National Arbor Day Awards Grand Prize in the Contest for Environmental Greening	Gunma Prefecture
2005	Kyushu Kumamoto Plant	Prize for Kumamoto Scenery/Prize for Local Scenery	Kumamoto Prefecture
2011	Okudaisen Bunanomori Natural Mineral Water Plant	Award from The Japanese Society of Revegetation Technology (Technology Award)	The Japanese Society of Revegetation Technology

2018	Kyushu Kumamoto Plant	Kumamoto Environmental Grand Prize	Kumamoto Prefecture
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### Dialogue with Customers through Plant Tours

We offer plant tours at our breweries, whisky distilleries, wineries, and natural mineral water plants so that more people can become familiar with our dedication to good taste and safety, our concern for the environment, and the approaches we take through our products. While viewing our production processes, visitors will be provided with easy-to-understand explanations about the detail that goes into our work and enjoy tasting and other activities. In addition, special seminars to learn the commitment toward brewing beer and ways to enjoy whisky are held, attracting approximately 660,000 visitors each year.



Natural mineral water plant tour



Special seminar held at a beer plant

# Empowering Children & Youth

## Our Policies and Approach

### Basic Policy on Social Activities

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To realize our corporate philosophy, “To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature,” we strive to deliver the highest quality products and services to customers while fulfilling our social responsibilities to achieve a prosperous society and a sustainable global environment.

1. Promote activities based on the standpoint of the next generation and actual situation worldwide together with our employees around the fields of arts and culture, sports, social welfare, and the natural environment.
2. Focus on a dialog with stakeholders and work to generate links and cooperation.
3. Support wide-ranged volunteer activities by employees.

To support the development of the next generation, we provide opportunities for children to experience the best in such fields as music, art, sports, and environmental education. As the birthrate declines and the importance of nurturing the next generation increases, we are strengthening these activities to support the development of rich individuality and character in children.

In addition to the rapid decline in the birthrate, the low level of mental well-being among children has become a major issue in Japanese society today. To help realize a society where children facing various difficulties can take on challenges with motivation, hope and dreams, we are supporting children in our own unique ways through the Suntory next-generation empowerment activities “Kimi-wa-Michisu,” which we have been strengthening since 2023.

## Our Initiatives

### Suntory Mizuiku-Education Program for Nature and Water

Suntory “Mizuiku”<sup>\*</sup> - education program for nature and water, a next-generation environmental education program launched in 2004. The program is unique to Suntory that helps children experience the wonder of nature, become aware of the importance of water and the forests nurturing it, and consider what they can do to pass on water to future generations. In Japan, the program centers on 2 activities: Outdoor School of Forest and Water and Teaching Program at Schools. As Suntory Group's business activities expand worldwide, we also expanded the program overseas in 2015. Building on the program in Japan, the global Mizuiku program promotes activities tailored to local water issues.

<sup>\*</sup> Sponsor: Ministry of the Environment, Ministry of Education, Culture, Sports, Science and Technology, etc.



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

## Plastics-related Educational Opportunities

As a company that uses PET bottles extensively, Suntory Group is committed to achieving a sustainable society by promoting understanding of PET bottle recycling and encouraging sorted collection through external seminars and other initiatives. Aiming to build awareness on the among the next generation, we concluded an agreement with Waseda University in 2021 to help realize a circular society. At elementary and junior high schools in municipalities with which we have concluded agreements for “bottle to bottle” horizontal recycling, we conduct classes to promote awareness and understanding of “bottle to bottle” horizontal recycling and proper separation of PET bottles, and give students a chance to think about recycling and resource circulation.



## Supporting the Development of Children through Music

Suntory Hall operates a variety of programs for youth and children to provide opportunities for experiencing the excitement of live performances by top-class musicians and to develop a rich sense of humanity through music.

### Subscription Concert for Children

Suntory Hall has held the "Children's Regular Concert Series" since 2001 with the hope that children will develop the habit of regular visits to concert halls and bring classical music into their lives. This is Japan's first regular orchestra concert for children and youth. The 93rd to 96th concerts are scheduled to be held in the 2025 season. We collect and adopt illustrations for the flyers and the theme song for the season from the children in a format that allows children to not only listen but also participate. In addition, there are programs in which child and youth musicians selected through auditions can play duets with pianists or perform as part of the orchestra. In 2021, the "New Song Challenge Project" was launched to connect children and musicians, inviting young composers to submit new songs using original short melodies created by children.



A four-hand piano performance by a young soloist, who passed an audition, and Michie Koyama, one of Japan's top pianists, with the orchestra



Young musicians who pass an audition receive the opportunity to perform with Tokyo Symphony Orchestra

### Suntory Hall Keizo Saji Junior Program Seat

This program follows on from the wishes of the founding President of Suntory Hall, Keizo Saji, desired to pass on classical music to the younger generation.

3 pairs of elementary and junior high school students are invited each time to attend select performances in the large hall on weekends and holidays.



Keizo Saji Junior Program Seat



## Suntory Hall Academy

Suntory Hall Academy, comprised of the Opera Academy and Chamber Music Academy, is geared towards young musicians who are on their way to becoming professionals.

In addition to receiving coaching from the world's leading artists, fellows (academy members) attend regular workshops to deepen their musical knowledge and perform in actual concerts.



Giuseppe Sabbatini,  
one of world's acclaimed Tenor,  
also gives lessons in person  
as the Executive Faculty of Opera Academy.



Workshop of the chamber music academy.  
Tsuyoshi Tsutsumi (pictured second from left)  
serves as academy director.

## Violin Loaning Program for Students

Every year since 2014, the Suntory Foundation for the Arts has loaned a world-class violin for 3 years free of charge as the "Suntory Foundation for the Arts Special Prize" in the "All Japan Student Music Competition (sponsored by the Mainichi Newspapers), Violin Division, Junior High School Division and High School Division." So far, 15 young musicians have received the loan.

Suntory supports the activities of the next generation of young performers by providing them with new opportunities through a variety of activities.



'10th Suntory Foundation for the arts Special Prize'  
in 2023 Winner, Hibiki Oya



TOMASO CARCASSI(made in 1751/Italy)

## Supporting the Development of Children through Art

Aiming to become a museum that welcomes children, Suntory Museum of Art provides various programs that allow children to easily engage with art and cultivate love for beauty in enjoyable ways.



## Offering Learning Programs

The Suntory Museum of Art is actively working to proliferate education to the next generation according to the "Art Revised, Beauty Revealed" Museum message.

The Museum offers free admission to children in junior high school and younger, and also distributes activity sheets. This tool not only guides users to notable areas of interest, but also cultivates a spirit to enjoy free inspiration brought by appreciation. For each exhibition, a variety of learning programs are held that can be enjoyed by people of all ages. In addition to talks, workshops, and activities such as the Art Club for junior and senior high school students at the Suntory Museum of Art, the Museum also actively welcomes visitors from elementary and junior high schools, as part of school programs, and holds teaching programs at schools.



Activity sheet for children



Suntory Museum of Art  
Art Club for junior and senior high school students

## All Day Kids' Museum!

All Day Kids' Museum! is a special event when the museum is open to elementary and junior high school students as well as their parents or guardians on a day that the museum is normally closed during which a variety of educational programs are held over the course of one day. This event has been held around once a year since 2014. While viewing exhibitions as they enjoy things such as doing quizzes and drawing sketches using a worksheet, a complete museum experience is offered through specialized programs for children, including interactive art appreciation, workshops, and a museum tour. All Day Kids' Museum! has been attended by a total of around 10,000 participants up to 2024. Additionally, at some exhibitions, kid-friendly "Family Times" are set aside to help children experience Japanese art.



All Day Kids' Museum!



Interactive art appreciation program

## Art Kids Club Iro-Iro Do-Re-Do-Re

This joint project of Suntory Hall and Suntory Museum of Art is a creative art experience and appreciation program for preschool children aged 3 to 6.



Suntory Hall and  
Suntory Museum of Art joint workshop



Art Kids Club Iro-Iro Do-Re-Do-Re



## Supporting the Development of Children through Sports

Suntory Group runs a variety of activities designed to support the healthy development of children's minds and bodies through sports. As part of the activity, Suntory's sports teams, Tokyo Suntory SUNGOLIATH and Suntory SUNBIRDS promote their sports.

In addition to holding clinics where players and staff directly teach children, Tokyo Suntory SUNGOLIATH instructs at rugby schools and operates rugby sports events while the Suntory SUNBIRDS instructs local volleyball teams and students and supports the operation of volleyball tournaments, to offer opportunities for children to experience sports.

Wheelchair basketball workshops are also held for elementary and junior high school students to promote and nurture parasports.

➤ [For more information, see Supporting Challenged Sports](#) ➡



Rugby workshop



Volleyball workshop



Wheelchair basketball experience event

## Q to VIEW Outreach Inquiry Class

Inquiry-based learning is not meaningful unless participants continually ask themselves questions.

During the special class Q to VIEW, students learn through hands-on videos and manga about how eminent people of the past have changed humanity's worldview (VIEW) through the questions they asked (Q).

Through this class, junior and senior high school students learn that inquiry can broaden their view of the world, and that sometimes this can bring about major changes in the way society works. The curiosity and spirit of challenge evoked there become a driving force behind their learning.

Suntory Group began providing teaching programs at schools in 2024, conducting a total of 3. Our goal is to have 1,000 participants by the end of 2025.



## Support through the Hibarigaoka Gakuen

The Hibarigaoka Gakuen has been supporting integrated education from kindergarten to high school since Shinjiro Torii became the first chairperson in 1950. Shinjiro Torii places importance on being devoted to one's parents and kept saying "a person who is devoted to his own parents can do anything well." The founding spirit has been passed down today and the school engages in educating people based on the belief that "Parents wish for the growth of their children, and children are grateful and respectful of their parents, and this natural human spirit is the basis for the family circle and the desire to serve society." Additionally, based on the Yatte Minahare spirit, we support the implementation of highly flexible educational programs that bring out children's spirit of adventure. From 2008, as educational supports of next generation, we have provided primary school and junior high school students environmental curriculum on flower (*Hanaiku*) and water (*Mizuiku*) and out of school activities. In March 2022, the 70th anniversary program was completed and the new cultural center Michishirube was opened. In addition, to supporting the school's "exploration activities," we provide a curriculum that utilizes the knowledge in the research fields of Suntory Flowers and Suntory Foundation for Life Sciences.



Planting trees at the outdoor education classes

## Nurturing Challenging Spirit through Experiencing Camping at an Uninhabited Island

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Since 2007, Suntory Group has been promoting Yoshima Project in cooperation with Kobe YMCA which operates a camping site in an uninhabited island in Shodo-gun, Kagawa Prefecture from 1950. The project is intended to nurture a spirit of challenge and dreams of children through experiencing the rich natural environment unique to an uninhabited island and holds Adventure Camp and various programs around the year. Every year, around 1,000 children visit Yoshima.



Yoshima Summer Camp

## Next-Generation Empowerment Activities “Kimi-wa-Michisu”

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The wide range of challenges facing children and youth is an important social issue in Japan. Suntory Group has committed to spending a total of 1.0 billion yen over 3 years to strengthen its initiatives for supporting children and youth to help create a society where they can overcome challenges with motivation, hope, and dreams.

The potential of children and youth is “Michisu (limitless)”. We will create a society in which all children can realize their potential, regardless of their environment or circumstances in which they were born and raised. This is our commitment. Primarily targeting adolescents, we work with NPOs and other pioneering organizations in this field to create opportunities for children to encounter the unknown and meet other people.



### Targets of Support

The main target of these activities is adolescents. Children and youth of this generation are increasingly facing various difficulties, yet public support is considered to still be insufficient.

In addition to economic challenges, family problems such as abuse and discord, as well as a sharp increase in school absenteeism, have led to fewer social connections and insufficient opportunities to learn and experience things, making it difficult for children to feel motivation or hope. Financial, food, and academic support is of course essential. Yet, it has become clear that this alone will not be enough to fundamentally solve these problems. Attention is now being paid to the importance of providing opportunities for a variety of experiences and creating places where children and youth can connect with society.

### Problem Solving Method

In order to resolve these issues, we believe that the role of NPOs and other organizations that deeply understand the circumstances and needs surrounding children and work in partnership with schools, local governments, and local communities is important. We therefore provide financial support, such as grants, to NPOs that share the same awareness of the issues, as well as personnel support, such as the secondment of employees to these organizations. Furthermore, with the aim of creating mechanisms to resolve issues surrounding children and youth, we are working on collaborative projects with NPOs, including launching new businesses.

We also receive advice and support from professionals and experts in various fields as advisors and fellows in our activities.



### Main Results in 2024 and Activities for 2025

In August 2024, with the non-profit organization Florence, we jointly developed and launched the Children's Adventure Bank, a platform to eliminate personal experience disparities between children. In addition to Suntory, 27 other companies have cooperated to provide experiences at leisure facilities, outdoor activities, factory tours and other experiences to a total of 4,360 children and youth (as of February 28, 2025). Regarding the "Kimi-wa-Michisu", which supports the growth and development of organizations such as NPOs, the first round of public applications was conducted in 2024, and 6 organizations were selected. In the second round in 2025, 7 organizations were selected.

#### Column (Voice of Employee in Charge)

2 years will soon have passed since the activities were launched. As we come to realize the breadth and scope and depth of the issues, which could be considered a microcosm of modern social issues, we are once again reminded that the power of collaboration is key in resolving these challenges. Challenges that would otherwise be impossible for Suntory to overcome alone can be overcome through collaboration with a variety of sectors, including NPOs, businesses, and government. With this belief, we now aim to increase awareness, empathy, and collaboration both inside and outside the company through our Kimi-wa-Michisu activities to create a collective impact.

➤ [For more information, see "Kimi-wa-Michisu" \(in Japanese\)](#) [🔗](#)

# Arts & Culture

## Our Policies and Approach

### Basic Policy on Social Activities

Suntory Group has long been involved in community contribution, arts, culture, sports and environmental activities based on the spirit of Giving Back to Society. Through our social activities, we aim to contribute to the sustainable growth of our business as well as to finding solutions to social.

➤ [For more information, see Communities.](#)

## Our Initiatives

Suntory Group is involved in a variety of cultural contribution activities such as operating the Suntory Museum of Art, Suntory Hall and other activities that contribute to the development of a rich culture and lifestyle.

In addition, we also support academic research in the humanities and social sciences, and promote research activities in bio-organic science. Through these activities we aim to foster global talent capable of leading the next generation.

### Suntory Foundation for the Arts

Suntory has been active in the field of arts for nearly half a century through the Suntory Museum of Art, which opened in 1961, and the Torii Music Foundation, which was established in 1969 to commemorate the company's 70th anniversary (renamed the Suntory Music Foundation in 1978). In 2009, we established the Suntory Foundation for Arts to bring together the activities of these two organizations and to innovate them into a new form suited to the 21st century. In 2012, we added the operation of Suntory Hall to our business portfolio. Through our unique and diverse business activities, we aim to contribute to the further popularization and development of Japan's music and art.

➤ [For more information, see Suntory Foundation for the Arts](#)

#### Suntory Museum of Art — Art revised, beauty revealed

Opened in 1961 with the basic philosophy of "Art in Life," the Suntory Museum of Art has hosted special exhibitions and expanded its collection, mainly consisting of Japanese art pieces. In March 2007, the museum was moved to Tokyo Midtown in Roppongi. Under the theme of "Art revised, beauty revealed," the museum has held a variety of special exhibitions with approximately 3,000 items from its collection, including one National Treasure and 16 Important Cultural Properties, and continues its activities to pass on the aesthetic values that lie at the heart of Japanese people to future generations. The museum, designed around the theme of "urban living room" by architect Kengo Kuma, features a store, café, tea ceremony room and a hall that features various programs.

➤ [For more information, see Suntory Museum of Art](#)



Suntory Museum of Art



## Suntory Hall — In pursuit of the world's most beautiful sound

The Suntory Hall opened in 1986 as Tokyo's first dedicated concert hall. Performances by leading musicians from Japan and around the world are performed in two halls, The Main Hall with a vineyard style, praised as "a jewel box of sound" by world-renowned conductor Herbert von Karajan, and Blue Rose (Small Hall) which gives the space a warm sound and atmosphere and allows the audience to feel close to the performers. Every year, Suntory Hall holds approximately 600 events by world's top artists from home and abroad, and welcomes approximately 600,000 visitors. Suntory Hall's mission is to enrich people's lives through music and to lead music culture and contribute to society. In September 2021, the total number of visitors to Suntory Hall hit 20 million since its opening. In 2021, we opened the "Digital Suntory Hall," allowing visitors from all over the world to enjoy Suntory Hall's facilities and concerts beyond distance and time.



Suntory Hall



Visitors to Suntory Hall hit 20 million since its opening.

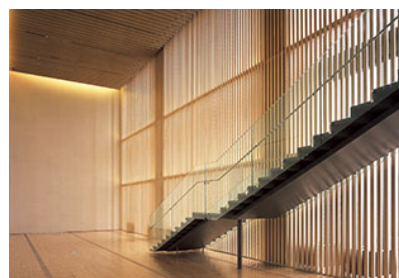
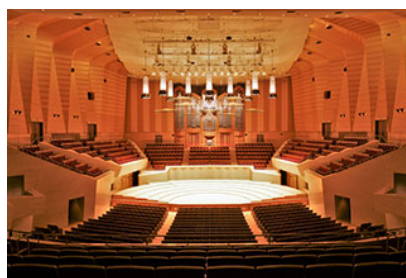
➤ [For more information, see "Suntory Hall"](#)

➤ [For more information, see "Digital Suntory Hall"](#)

### Suntory Hall and Suntory Museum of Art Switches to 100% Renewable Electricity

Since April 2022, Suntory Group purchases 100% renewable electricity for all 30 directly owned manufacturing sites and R&D facilities in Japan. Suntory Hall and Suntory Museum of Art have also switched to purchasing 100% of their electricity from renewable energy sources.

Through these efforts, the two facilities have reduced CO<sub>2</sub> emissions by approximately 800 tons per year compared to before. We believe that both "the most beautiful echoes in the world" and "urban living room" can be realized by placing importance on harmony with nature as well as with people and society.



## Music Division — Innovative Activities to Promote Music

The Music Division engages in a wide range of activities with the aim of contributing to the development of Western music and the advancement of culture in Japan. Suntory Foundation supports creative musical activities in Japan through its programs, including the Suntory Music Award, which honors individuals or groups for outstanding achievements in the field of Western music every year for the past 55 years, the Keizo Saji Prize, which recognizes performances that demonstrate a spirit of taking on challenges, the Yasushi Akutagawa Suntory Award for Music Composition, which selects outstanding works by up-and-coming Japanese composers based on public performances, and the publication of Japanese Contemporary Composition, which critiques new Western music premieres. Since 2014, the Foundation has been preserving world-famous string instruments of cultural value in its



Suntory Music Award and Keizo Saji Prize ceremony

collection, as well as lending them out to train young performers. To date, these instruments have been loaned free of charge not only to professional performers, but also to more than 15 junior and senior high school students who have received the Suntory Foundation for Arts Special Prize for Masterpiece Instruments, many of whom have now gone on to play internationally.

#### Vienna Philharmonic & Suntory Music Aid Fund:

In 2012, Suntory and Vienna Philharmonic established the Vienna Philharmonic & Suntory Music Aid Fund within Suntory Foundation for Arts, following the 2011 Great East Japan Earthquake, with the goal of revitalizing disaster afflicted areas as well as the rest of Japan through music. In collaboration with the Vienna Philharmonic, we hold "Concerts for Children" for children and their families in disaster afflicted areas, and we also provide music instruction to nurture the next generation of music aficionados and performers.



Vienna Philharmonic & Suntory Music Aid Fund:



Concert for junior and senior high school students in Suzu City, Ishikawa Prefecture at La Porte Suzu performing arts center  
Interaction and music instruction with brass band members

➤ [For more information, see Music Division](#)

➤ [For more information, see Vienna Philharmonic & Suntory Music Aid Fund \(in Japanese\)](#)

## Suntory Foundation

Suntory Foundation was established in 1979 in celebration of Suntory's 80th anniversary. Aiming to deepen international and interdisciplinary exploration of society and culture, we will support and discover of talented human resources across a wide range of fields, and support original and adventurous research, and, contribute to the dramatic development of cultural exchange between the world and Japan.

Our initiatives as a Humanities and Social Sciences Promotion Project effort include research assistance and investigative research in the fields of the humanities and social science, awarding of the Suntory Prize for Social Sciences and Humanities, and overseas publishing support. Community Culture Promotion Project efforts include awarding the Suntory Prize for Community Cultural Activities and support for regional cultural activities.

In recent years, the Foundation has been actively working to provide support to young researchers, and carrying out initiatives including providing support those who will lead the future of society, and working to bridge the gap between researchers and society by providing opportunities for exchange between the worlds of academism and journalism.





Suntory Prize for Social Sciences and Humanities award ceremony



Suntory Prize for Community Cultural Activities award ceremony



Grant for Groundbreaking Young Researchers report briefing

➤ For more information, see [Public Interest Incorporated Foundation Suntory Foundation for Culture](#)

## Suntory Foundation for Life Sciences

Preceded by the Institute of Food Chemistry which was established in 1946 to improve the health and nutrition of the Japanese people, the name was changed to Suntory Institute for Bioorganic Research (SUNBOR) in 1979 and Suntory Foundation for Life Sciences in 2011. The Foundation promotes research and disseminating academics of bioorganic science, which is a fusion of life science and organic chemistry. It has produced many university professors and other researchers that play active roles on the frontline.

We engage in research activities for unveiling the mechanisms of life emphasizing molecules using the keywords "metabolism," "biomembrane," and "signalling" by positioning our own research into structural biology, organic chemistry, and molecular biology as points of integration for dissimilar fields. Collaborative research with research institutions such as universities is also promoted. It also operates an analysis center to aid research by universities. SUNBOR GRANT for young researchers, SUNBOR SCHOLARSHIP for graduate students, aiding academic meetings, postdoctoral fellow system, educational support for universities, and other activities to train researchers are also operated.



Exhibition displaying the history of the foundation



800 MHz superconducting nuclear magnetic resonance equipment

Many research findings have been published in prestigious academic journals, such as the discovery of enzyme gene for biosynthesis of Sesamolin and Sesaminol from Sesamin, antioxidant components of sesame, the deciphering of the mechanism of blue coloration through interactions between floral pigments and flavonoid glycosides, and the discovery of a new mechanism for iron absorption from grains and vegetables. In addition, joint researchers and front-line researchers are invited to hold debriefing sessions annually.



Research Institute annual meeting  
(Saji Keizo Memorial Hall, Osaka University  
Nakanoshima Center)

### SunRiSE (Suntory Rising Stars Encouragement Program in Life Sciences)

"SunRiSE " has been established to support the life science researchers who will lead Japan's basic research in the future and take on great challenges.

Applications were accepted in fiscal 2020, with 10 young researchers (SunRiSE Fellows) selected from nearly 500 applicants.

Starting in April 2021, they received support of 50 million yen per person (10 million yen per year for five years). They are also

being supported through various activities. Following on from the research discussion meetings held at the end of every fiscal year, a report was made from each fellow at the end of fiscal 2024 covering the progress made in their research over the past year and their research strategy for the remaining one year. The Fellows received advice from different perspectives from the members of the Program's steering committee and from the SunRiSE Advisors, and their future research results are eagerly anticipated.



Press conference on the establishment of SunRiSE



The SunRiSE award ceremony

➤ [For more information, see Public Interest Incorporated Foundation Suntory Foundation for Life Sciences](#) 🔗

## Suntory Presents Beethoven's 9th with a Cast of 10,000 – Spreading the Joy of Singing Together

Suntory Presents Beethoven's 9th with a Cast of 10,000 started as a commemorative event of the opening of the Osaka-Jo Hall in 1983 which was held for the 42th time in 2024.

Suntory Group has been a co-sponsor from the this concert, which has become a seasonal event in December, from the first event.

As an opportunity for 10,000 people to share the joy of singing and experience the wonder of classical music, the event has expanded its rehearsal venues and now welcomes participants of diverse ages and nationalities. It is growing into an event that transcends generations, regions, and national borders.

In 2011 to 2013, the Tohoku venue, which was linked live with the Osaka-Jo Hall, was also set as a part of an activity to support the recovery from the Great East Japan Earthquake. In 2014, 150 people from Iwate, Miyagi and Fukushima prefectures were invited to the Osaka-Jo Hall.

From 2017, in addition to television broadcasts, we have been providing LINE LIVE, a live broadcast for reaching more viewers. Starting in 2020, as a new challenge, we began an initiative for people to participate in the concert by submitting videos from across the country. In the 40th anniversary concert in 2022, the choir gathered once again at Osaka-Jo Hall for the first time in three years. The concert also featured relay choirs from 10 locations nationwide, along with singing videos from around the world, creating a grand chorus that connected people across Japan and the world with the voices of over 10,000 singers. In 2023, a choir of 10,000 people gathered together for the first time in four years at Osaka-Jo Hall.



Suntory Presents Beethoven's 9th with a Cast of 10,000



The 38th Suntory Presents Beethoven's 9th realized through singing videos by a total of 10,000 people (2020)

➤ [For more information, see Suntory Presents Beethoven's 9th with a Cast of 10,000 \(in Japanese\)](#) 🔗

# Championing Sports

## Our Policies and Approach

Suntory Group not only creates enthusiasm and excitement in people through the bold passionate spirit of Suntory sports, but also aims to inspire the brilliance of life, by fostering connections with people and sports, motivating people to "shine" and providing strong support to those who take the first step.

➤ [For more information, see Suntory Sports. \(in Japanese\)](#)

## Our Initiatives

### Rugby Team Tokyo Suntory SUNGOLIATH

Tokyo Suntory SUNGOLIATH was created in 1980, and has taken the Top League championship five times and won the All-Japan Rugby Football Championship eight times. The team is currently participating in JAPAN RUGBY LEAGUE ONE that started in 2022.

SUNGOLIATH has signed comprehensive partnership agreement for the development of the local community with Minato Ward in September 2020; Fuchu City, Chofu City, and Mitaka City in April 2021; and Tokyo in November 2021, and strengthened ties with the community. Members of the Tokyo Suntory SUNGOLIATH instructs rugby experience for elementary school students at its host town as well as share their life story in a workshop called "Trying for Dreams," teaching students about the importance of striving for your dreams.



Rugby Team Tokyo Suntory SUNGOLIATH



Rugby Clinic



Lecture titled "Trying for Dreams"

➤ [For more information, see Tokyo Suntory SUNGOLIATH](#)

### Volleyball Team Suntory SUNBIRDS Osaka

Suntory SUNBIRDS Osaka is a volleyball team that marked its 50th anniversary in 2023 since its founding in 1973. In 2023, they became the first Japanese team to win the Asian Club Championships, and in the World Club Championships, they took third place and a bronze medal, proving they are a talented club that can compete globally.

The team currently belongs to the Daido Life SV.LEAGUE MEN, the top volleyball league in Japan. In 2024, the team won its tenth league championship in the V.LEAGUE, the predecessor to the SV.LEAGUE MEN.

The SUNBIRDS also actively engage in social contribution activities such as ball-based exercise training for the senior generation, supporting activities for recovery after the Great East Japan Earthquake, and holding volleyball clinics for elementary and junior high school students at home games.

The team has signed comprehensive partnership agreements for the development of local community with Osaka City in September 2018 and



Minoo City in October 2021 and offers volleyball clinics instructed by the players and staff for a wide range of generations with a focus on elementary and junior high school students at the home town.



Volleyball team Suntory SUNBIRDS



Volleyball Clinic



Comprehensive partnership agreement with the home town

➤ [For more information, see Suntory SUNBIRDS \(in Japanese\)](#)

**Ai Miyazato Suntory Ladies Open Golf Tournament: Pathway to AIG Women’s British Open**

Suntory Ladies Open Golf Tournament is an official ladies open golf tournament of the Ladies Professional Golfers’ Association of Japan hosted by Suntory. The event is held annually at the Rokko Kokusai Golf Club in Kobe City. This tournament is seen as a competition to test the true skill of the golfers because it is held for four days, while in Japan most golf tournaments usually last for three days. Ai Miyazato, a professional golfer affiliated with Suntory, acts as an advisor for the tournament and is involved with setting the course, PR for the tournament, and hospitality for visitors. As an international open tournament, it opens its doors and supports the growth of next generation of Japanese and international amateur golfers who are expected to become leading players in the future, and actively engages in other charitable events. From the 30th tournament in 2021, the first- and second-place golfers gain entry to the AIG Women’s British Open.



Tournament winner Momoko Osato (right) and tournament ambassador Ai Miyazato (2024 tournament award ceremony)

➤ [For more information, see Suntory Ladies Open Golf Tournament \(in Japanese\)](#)

**Suntory Dream Match**

Suntory has been hosting this baseball event since 1995 to deliver dreams and excitement. The event, which features retired pro baseball legends, have brought joy to more than a million fans to date. In the 28th match in 2024, the Premium Malt’s team, led by Manager Koji Yamamoto, and the Dream Heroes team, led by Manager Yasushi Tao fought a heated battle. The Suntory Dream Match is also a charity event, and a portion of the proceeds are used to support charity activities such as baseball classes for children throughout Japan.



➤ [For more information, see Suntory Dream Match \(in Japanese\)](#)

## Suntory Challenged Sports Project

Suntory Group has been supporting para-sports since 2014.

This began in 2014 as part of the recovery efforts following the Great East Japan Earthquake, and has gradually expanded the scope and area of its activities. Currently, it mainly consists of the following four activities:

- (1) “Challenged Sports Athletes Incentive Program” for athletes and sports organizations nationwide
- (2) “Dream Athlete” wheelchair basketball clinic for elementary and junior high school students (currently held in Koto Ward)
- (3) “Para-Sports Design College” is a project to promote the appeal of parasports with university students
- (4) Wheelchair Skills Seminar for medical and welfare students

### Suntory Challenged Sports Athletes Incentive Program

The pillar of this project is the Suntory Challenged Sports Athletes Incentive Program. Starting in 2023, we have provided grants to support the activities of athletes, associations, and sports organizations designated by each association, with the hope of spreading and promoting challenged sports and nurturing and strengthening world-class athletes. In addition to targeting young athletes\*, grant recipients are selected from athletes recommended by parasports associations in prefectures and ordinance-designated cities across Japan, as well as from each association or sports organization designated by each association, in order to support community-based activities and develop them with many partners.

The third round of recipients was selected in 2025. A total of 76 athletes and 20 parasports associations or sports organizations from 57 prefectures and ordinance-designated cities will be selected and awarded a total of 28.5 million yen.

We will continue our challenges with our athletes under our PASSION FOR CHALLENGE grounded in our “Yatte Minahare”.

\* Up to 25 years of age or less than 10 years since starting competition



Press announcement

### Dream Athlete

We are also offering hands-on clinics for para-sports, including wheelchair basketball in the Tohoku region and other areas. Currently, the activities are based in Tokyo Ariake Arena and offer hands-on clinics for elementary and junior high school students in Koto Ward, with players from the Tokyo wheelchair basketball team NO EXCUSE as instructors. Since 2023, more than 1,000 children have participated, experiencing the joy of parasports through interactions with athletes.



Hands-on clinic held in a friendly setting

### Parasports Design College

In 2021, we launched a project ParaSports Design College with university students to promote the appeal of para-sports. The project has posted on its website and social media a player directory that introduces wheelchair basketball players from a university student's perspective, as well as interviews with players and a project to survey university students about awareness of parasports in order to convey the excitement of challenged sports in various ways. Parasports Design College also hosts wheelchair basketball clinics and sets up event booths at tournaments.



The project is made up of students from various universities who are passionate about parasports.

## Wheelchair Skills Seminar

We hold seminars for medical and welfare university students, where they acquire active wheelchair skills, with the aim of nurturing the next generation of parasports instructors. The implementation area started in the Tohoku region and is now being expanded to Kanto, Kansai, and Kyushu areas.



A seminar where participants learn how to "raise casters," a technique used to overcome everyday barriers.

In addition to these four activities, from 2025, Paralympian Mami Tani (an employee of Suntory) will serve as an ambassador for the project, promoting not only her own athletic activities but also the efforts and appeal of challenged sports.



Mami Tani working hard in training



Press conference for her appointment as ambassador

➤ [For more information, see Supporting Para-Sports \(in Japanese\)](#) [🔗](#)



# Governance

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# Corporate Governance

## Our Approach

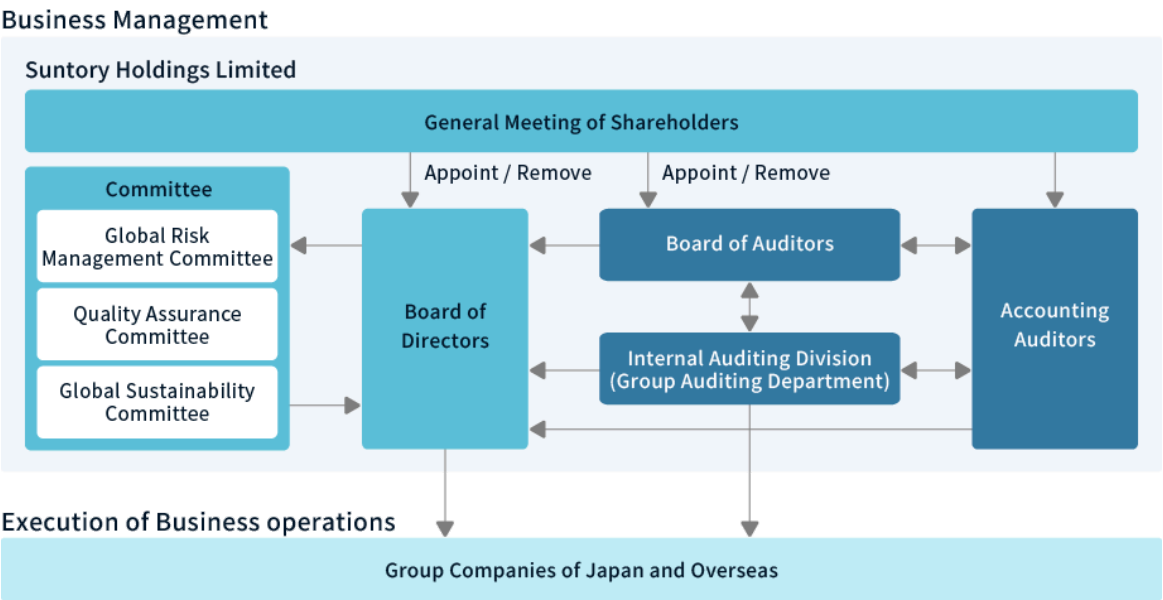
Suntory Group aims "To inspire the brilliance of life, by creating rich experiences for people in harmony with nature," and we are promoting the enhancement of corporate governance in order to improve management efficiency, maintain strong relationships with stakeholders such as local communities, customers, business partners, and fulfill our social responsibilities as a company.

➤ For Suntory Holdings’ shareholders composition, etc., please refer to the Securities Report Section 4: Status of Submitting Company, Part 1: Status of Shares, etc. (in Japanese) 

## Promotion Structure

Suntory Holdings Limited adopts a two-tier corporate structure that provides dual oversight, with the Board of Directors overseeing business execution and the Board of Auditors carrying out auditing. Additionally, adopting an Executive Officer system allows for the separation of management decision-making functions from business execution, enabling agile management decisions.

### Corporate governance structure



### Boards Responsible for Group Management

Suntory Group has adopted a holding company structure. The Board of Directors for Suntory Holdings, which is the holding company, is made up of nine Directors, including one Outside Director (as of April 2025). The Board of Directors is responsible for examining, discussing, and making decisions on the overall management issues of the Group, as well as overseeing the business execution of each company within the Group.

## Board of Directors

The Board of Directors holds regular monthly meetings and extraordinary meetings as necessary to discuss and make decisions on all important management matters, including Suntory Group's management policies, business plans, organization, and fund procurement. It also receives reports on the status of operations at each Group company and oversees those companies. The term of office for Directors is set at one year in order to respond to changes in the business environment and to quickly build an optimal management structure.

The Board of Directors held 21 meetings in the previous fiscal year. The attendance of each Director is provided below. In addition to the stated numbers, two written resolutions were deemed as approved by the Board of Directors.

Title	Name	Attendance
Representative Director, Chairman of the Board	Nobutada Saji	15/21
Representative Director, Vice Chairman of the Board	Shingo Torii	21/21
Representative Director, President & Chief Executive Officer	Takeshi Niinami	21/21
Representative Director, Executive Vice President, Chief Operating Officer	Nobuhiro Torii	20/21
Representative Director, Executive Vice President, Chief Operating Officer	Shinichiro Hizuka	21/21
Director, Executive Vice President	Kenji Yamada	21/21
Director, Senior Managing Executive Officer	Josuke Kimura	20/21
Director, Senior Managing Executive Officer	Kaneo Oka	21/21
Director, Senior Managing Executive Officer	Yukihiro Kamakura	21/21
Director (External)	Takashi Mikuriya	18/21
Director	Kazutomo Aritake	21/21

The Board of Directors specifically considers various management issues that include management policy, financial strategy, M&A, capital investment, corporate governance, and sustainability. They also look at key issues and the status of business operations for the Group's core businesses.

## The Management Auditing System

Suntory Holdings' Board of Auditors is made up of 4 Auditors, including 2 Independent Auditors (as of April 2025). It audits the execution status of business operations as well as the status of the internal control system. Audit & Supervisory Department was established to aid the audits performed by the Board of Auditors. In addition, Suntory Group has established the Group Auditing Department which acts as an internal auditing division that audits and inspects the execution status of business operations of all Group companies. The external auditors also audit accounts, verifying the appropriateness and legality of accounts and the internal accounting systems from an objective perspective.

## Other Committees

Suntory Holdings also has a Global Risk Management Committee, Quality Assurance Committee, and Global Sustainability Committee. The Global Risk Management Committee is responsible for promoting risk management activities throughout Suntory Group, identifying risks, formulating countermeasures and checking the progress of those countermeasures. The Quality Assurance Committee is responsible for promoting quality assurance activities throughout Suntory Group, identifying quality assurance issues, formulating countermeasures, and checking the progress of those countermeasures. The Global Sustainability Committee is responsible for promoting sustainability management

throughout Suntory Group, and discusses and supervises the policies and plans of the Group's sustainability strategy. Furthermore, we have established the Governance, Risk, and Compliance Division to strengthen and promote governance and risk management activities throughout Suntory Group.

## **Strengthening Internal Control Systems**

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We are aiming to build a more effective governance structure by strengthening efforts such as compliance, information management, and risk management based on the Basic Concepts and Operations for the Internal Control System enacted by Suntory Holdings' Board of Directors.

➤ [For more information, see Basic Concepts and Operations for the Internal Control System](#)

## **Suntory Beverage & Food Ltd.'s Corporate Governance**

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Suntory Beverage & Food Ltd., which is listed on the Prime Market of the Tokyo Stock Exchange, is a company with an Audit and Supervisory Committee. This structure was established for the purpose of improving the effectiveness of auditing and supervision through audits by directors who are committee members approved by the Board of Directors in addition to introducing audits that utilize an internal auditing division to facilitate more highly-transparent governance. Three of the eight Directors on the Board of Directors (including Audit and Supervisory Committee Members) are Outside Directors (as of December 2024).

Furthermore, Suntory Beverage & Food has also stipulated the ability to appoint directors for some or all decisions necessary for executing operations with approval at the Board of Directors Meeting. This measure realizes management strategy and achieves management indicators set as goals by conducting more comprehensive and practical deliberation such as debate about management strategy, mid- and long-term plans, and management challenges. It is also for the purpose of allowing for faster decision-making while enhancing supervision functions at the Board of Directors Meeting through decision-making based on the management committee and internal rules for executing each operation. We also disclose compliance status of the corporate governance code on our website.

➤ [For more information, see Suntory Beverage & Food Ltd.'s Corporate Governance](#)

# Basic Concepts and Operations for the Internal Control System

Suntory Holdings Limited (the "Company") hereby establishes the Basic Policy on an Internal Control System outlined below to provide ongoing growth and maximize the corporate value of the entire Suntory Group while maintaining a good relationship with all stakeholders.

## **I . System for Ensuring That the Execution of Duties by Directors, Executive Officers and Employees of the Company, as well as by Directors, Executive Officers, Others with Equivalent Duties and Employees of the Company's Subsidiaries Conform with Laws and Regulations and the Articles of Incorporation**

1. In line with our corporate purpose, which is to "inspire the brilliance of life, by creating rich experiences for people, in harmony with nature," and in accordance with the Suntory Group's Code of Business Ethics, each and every one of the Company's Directors, Executive Officers, and employees shall follow a code of conduct that emphasizes complying with the requirements of the law and respecting social ethics when carrying out business activities by making decisions for the organization.
2. The Directors and Executive Officers shall take the initiative in complying with laws and regulations, the Articles of Incorporation, and business ethics, and actively make efforts to maintain and improve compliance management.
3. The Board of Directors shall establish a Global Risk Management Committee and individual risk management committees (the Global Risk Management Committee and each risk management committee at each Group company shall hereinafter be referred to as the "Risk Management Committee"), and the Risk Management Committee shall promote a compliance system and deliberate on priority issues. In addition, each Group company shall put in place a department in charge of compliance to conduct periodic education and training activities as well as establish and promote compliance systems throughout the Suntory Group with the Risk Management Committee at the core to ensure the comprehensiveness of activities.
4. The Directors, Executive Officers, and Audit & Supervisory Board Members (hereinafter referred to as "Auditors") of the Suntory Group shall report any compliance issues that are discovered immediately to the Risk Management Committee. In addition, the Company shall put in place compliance hotlines inside and outside of the Company to allow employees of the Suntory Group to report on compliance related issues to the department in charge of compliance, which will report to the Risk Management Committee as necessary. The Risk Management Committee and the department in charge of compliance shall investigate the contents of any report they receive, discuss the issue with relevant departments as necessary, take corrective action, establish measures to prevent any recurrence, and implement these measures. The Risk Management Committee and the department in charge of compliance shall report to the Board of Directors and the Audit & Supervisory Board as necessary regarding the content of their deliberations and their activities.
5. Directors and Executive Officers shall be dispatched to subsidiaries as necessary to appropriately execute business, make decisions and perform supervision. In addition, the relevant departments of the Company shall provide advice, guidance and support to the subsidiaries.
6. Auditors or equivalent persons (hereinafter referred to as "Auditors, etc.") shall be deployed to subsidiaries as necessary to perform audits. In addition, the Auditing Department shall carry out internal audits of subsidiaries.
7. The Auditing Department shall carry out internal audits pertaining to the status of compliance and the appropriateness for operations of employees of the Suntory Group, and report the results of the audit to the Representative Director and President.
8. Internal control systems shall be established and maintained to ensure the appropriateness of financial reporting.
9. Directors and Executive Officers of the Suntory Group shall establish and promote a system to prevent any relations with antisocial forces and clearly reject any improper demands that are made.

## **II . System for the Preservation and Management of Information Concerning the Execution of Duties of Company Directors**

1. Officers in charge of general affairs shall store and manage vital internal documents as well as revise and improve document management rules and other regulations as necessary.
2. Directors and Executive Officers shall store and manage minutes of the shareholders meetings, minutes of Board of Directors meetings and documents pertinent to important decision-making (including electronic or magnetic records, the same applies

hereinafter) as well as other important information related to the execution of duties by Directors and Executive Officers in accordance with laws and regulations as well as internal rules.

3. The documents and other materials mentioned above shall be kept in a condition such that allows for Directors, Executive Officers, and Auditors to view them as necessary.
4. The Risk Management Committee shall establish and promote an informational security system that does not only protect and preserve information, including personal information, but also increases corporate value by use of information.

### **III. Regulations and Other Systems for Managing Risk of Losses of the Company and Its Subsidiaries**

1. The strategic decision-making related to the management of the Suntory Group shall be performed by the Board of Directors. With regard to major risks relating to group management, the Board of Directors shall select Directors or Executive Officers to be responsible for addressing these risks, who will then make decisions regarding the response to each risk.
2. The Board of Directors shall put in place the Suntory Group's risk management system and supervise the operation of this system. Besides the Risk Management Committee, the Board shall also establish other committees, including the Quality Assurance Committee and Global Sustainability Committee, and shall receive reports from these committees and issue instructions to them.
3. The Risk Management Committee, Quality Assurance Committee and Global Sustainability Committee, etc., will undertake comprehensive, overall management of operational risks, quality risks, and sustainability issues for the Suntory Group as a whole. In addition, with regard to major risks, where necessary, they will formulate rules and guidelines for the management of the risk in question and implement related training activities, etc.
4. The Global Risk Management Committee will take on the role of promoting risk management activities for the Suntory Group as a whole, and will identify risks affecting the Suntory Group, draw up strategies to respond to these risks, and monitor the progress made in responding to risks.
5. The Quality Assurance Committee will take on the role of promoting quality assurance activities throughout the Suntory Group, and will identify quality assurance issues affecting the group, draw up strategies to respond to these issues, and monitor the progress made in responding to issues.
6. The Global Sustainability Committee will take on the role of promoting sustainability-focused management throughout the Suntory Group, and will identify sustainability-related issues, draw up strategies to respond to these issues, and monitor the progress made in responding to issues.
7. Each Executive Director and Executive Officer shall hold responsibility for addressing risks inherent in business execution. Moreover, material risks shall be analyzed and evaluated, and improvement plans shall be discussed and determined by the Board of Directors.

### **IV. System for Ensuring that Directors of the Company and Directors and Executive Officers of the Company's Subsidiaries as well as Others with Equivalent Duties Execute Their Duties Efficiently**

1. The Board of Directors shall determine the basic management policy and Company-wide goals of the Suntory Group, and the Directors and Executive Officers in charge shall specify efficient methods for achieving such goals, such as specific targets and appropriate allocation of authority aimed at achieving the Company-wide goals.
2. Directors and Executive Officers in charge shall confirm progress made in achieving goals and report the specific measures to achieve the goals to the Board of Directors and the Management Committee.
3. Each Director and Executive Officer shall be in charge of appropriately executing business operations and shall strive to make decisions efficiently under the Responsibility and Authority Rules.

### **V. System for Reporting to the Company Matters Related to the Execution of Duties by Directors and Executive Officers of the Company's Subsidiaries**

1. The status of the business execution of Directors and Executive Officers at subsidiaries shall be regularly reported to the Board of Directors and the Management Committee.
2. Directors and Executive Officers in charge of subsidiaries shall request reports on the status of business execution from the Directors and Executive Officers of the subsidiaries as necessary.
3. Directors and Executive Officers in charge of subsidiaries shall, in the event of a risk emerging that could potentially affect that subsidiary or the Suntory Group, speedily report the risk to the department responsible for responding to such risks, and shall, if necessary, report it to the Global Risk Management Committee.
4. Certain matters concerning management of subsidiaries must be consulted with and reported to the relevant departments, or otherwise must receive approval from the Board of Directors of the Company under the Responsibility and Authority Rules.
5. The Auditing Department shall report the internal audits results of subsidiaries to the Representative Director and President as necessary.



## **VI. Other Systems for Ensuring the Appropriateness of Business of the Group Consisting of the Company, Its Parent Company and Its Subsidiaries**

Dealings between Group companies, including the parent company and public subsidiaries, shall ensure appropriateness in matters such as conducting business and deciding on business matters to provide objective and rational content.

## **VII. Matters Regarding Auditors of the Company and Employees Who Are Requested to Assist in their Duties, Matters Regarding the Independence of Such Employees from Directors and Executive Officers, and Matters Related to Ensuring the Effectiveness of Instructions Given to Such Employees**

The Company shall place employees to assist the duties of Auditors after deliberation if necessary for the Auditors .

In addition, the Company shall respect and execute directions of the Audit & Supervisory Board such as the transfer and evaluation of such employees, and ensure the independence of such employees from Directors and Executive Officers.

Moreover, such employees shall follow the instructions and directives from the Auditors when assisting in the duties of Auditors.

## **VIII. Systems for Directors, Executive Directors and Employees of the Company and Directors, Executive Directors, Auditors, Others with Equivalent Duties and Employees of the Company's Subsidiaries or Other Persons Who Receive Reports from Such Persons to the Company's Auditors and Other Systems Related to Reporting to the Auditors**

1. Auditors shall attend Board of Directors meetings, and the Representative Director and President as well as the Directors and Executive Officers in charge shall provide reports of business execution that they are in charge as necessary.
2. Directors, Executive Officers and Employees of the Suntory Group shall promptly and clearly respond to inquiries about operations and assets when requested by Auditors to report on businesses.
3. The Auditing Department of the Suntory Group shall regularly hold liaison conferences between Auditors and the Audit & Supervisory Board of the Company to report the current status of matters such as internal audits.
4. The departments in charge of internal reporting systems shall report the status of internal reports to Auditors and the Audit & Supervisory Board of the Company as necessary.
5. In the case of internal reports that relate to Suntory Group Directors, Auditors, Executive Officers or Advisors, the contact window that received the internal report in question shall report the matter to the Auditors of the company where the reported behavior occurred, and shall liaise with them regarding the strategy to be adopted in response.

## **IX. System for Ensuring the Person Who Has Reported to the Company's Auditors Are Not Treated Adversely Based on the Fact Such a Report has Been Made by the Person**

The Directors, Executive Officers and employees of the Suntory Group shall prohibit any adverse treatment based on a report to the Auditors through a department in charge of compliance or another reporting system.

## **X. Systems for Ensuring Advance Payment or Reimbursement of Expenses Arising in Conjunction with the Execution of Duties by Auditors of the Company and Other Policies for Processing Expenses and Obligations Arising with Respect to Execution of Such Duties, and Other Systems for Ensuring That the Auditors Effectively Performs Audits**

1. If Auditors, in conjunction with the execution of its duties, asks the Company for advance payment, etc. of expenses under Article 388 of the Companies Act, the Company shall promptly process such expenses or obligations, unless they are not necessary for the Auditors to execute their duties.
2. Auditors shall strive to communicate and exchange information with the Auditors, etc. of Company subsidiaries or the Auditing Department.
3. Auditors shall put in place opportunities to exchange opinions with the Representative Director and President as well as accounting auditors.

## **Overview of the Operational Status of Internal Control Systems**

Given the Company aim of being a “global food and alcoholic beverage company,” we are well-aware of the importance to that end of maintaining and operating internal control system encompassing Group-wide risk management and compliance, in order to further ensure ongoing growth and maximize the corporate value of the entire Suntory Group. The following is a summary regarding the operational status of the Company's internal control system.

## **1) Operational status of the risk management system**

- The Global Risk Management Committee and the various risk management committees within the Suntory Group have been holding meetings on a regular basis, and have accordingly been identifying risks facing the Suntory Group, formulating measures for addressing such risks, and checking on progress made with respect to taking action in that regard.
- Details regarding activities carried out by the Global Risk Management Committee have been reported to the Board of Directors.
- With respect to quality risks, the Quality Control Committee has been holding meetings on a regular basis, and has accordingly been identifying issues involving matters of quality control pertaining to the Suntory Group, formulating measures for addressing such concerns, and checking on progress made with respect to taking action in that regard.
- To ensure information security, we have been implementing information management education and awareness activities, and have otherwise been taking steps geared toward discouraging unsuitable means of information management and preventing leakages of confidential information.

## **2) Status of initiatives related to compliance**

- We have established the Suntory Group's internal and external compliance hotlines, including our Group companies overseas, and make the hotlines' availability known to our employees by means that include providing details via our intranet and on posters. When it comes to reports and consultations regarding incidents, the relevant departments have been taking responsibility to investigate the facts at hand, and then accordingly taking corrective measures and implementing measures to prevent recurrence, as necessary. Moreover, our "Rules on the Suntory Group's Whistleblowing System" prohibit adverse treatment of whistleblowers for having reported incidents or for otherwise having sought consultation in that regard, and we are implementing these rules. Suntory Holdings has been awarded certification to recognize its whistleblowing system (system for self-declaration of conformance), which was introduced by the Consumer Affairs Agency.
- Our Compliance Department has been playing a central role in efforts geared toward further heightening awareness of compliance practices, through initiatives that include carrying out surveys of employees and others to gauge their awareness of matters such as compliance issues and the corporate culture, and then providing feedback on survey results. In addition, our Compliance Department strives to further raise compliance awareness by conducting educational activities on compliance, including harassment and anti-bribery.

## **3) Status of Initiatives to Improve the Efficiency of Business Execution**

- The Board of Directors has been holding meetings on a regular basis where they engaged in tasks that included formulating the Mid-Term Plan, drafting budgets, and making managerial decisions involving mergers and acquisitions, capital investment and other such matters.
- At their meetings, the Board of Directors was provided with reports on the Suntory Group's business performance, and accordingly verified and discussed matters such as progress made in achieving the Suntory Group's business objectives, its management challenges, along with measures in that regard.

## **4) Status of audits by the Audit & Supervisory Board Members**

- Audit & Supervisory Board Members have been attending important meetings of the Board of Directors, Risk Management Committee and other such bodies, through which they have been able to obtain reports on business execution provided by Directors, Executive Officers and others.
- Audit & Supervisory Board Members share information and collaborate with the internal audit divisions, and the Audit & Supervisory Board members and internal audit divisions carry out joint audits as necessary.
- Audit & Supervisory Board Members have been communicating and exchanging information with Audit & Supervisory Board Members of subsidiaries of the Company, or internal audit divisions of the Company.
- Audit & Supervisory Board Members has been providing opportunities for the exchange of opinions with the Representative Director and President, Outside Directors and the Accounting Auditor.

## **5) Operational status of internal audits**

The internal audit divisions have been conducting internal audits of the Company's respective divisions as well as its subsidiaries in Japan and overseas on the basis of audit plans. In so doing, the internal audit divisions have been providing directives or otherwise making recommendations geared toward enabling those entities to make improvements when necessary, and have also been reporting results of the internal audits, as needed, to the Representative Director and President.

# Risk Management

Suntory Group strives to understand and analyze the risks to the Group as a whole and take measures to resolve the issues so that we may continue our business operations and contribute to society.

## Promoting Structure

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In order to strengthen risk management across the entire Group, including our overseas Group companies, Suntory Group has established the Global Risk Management Committee (GRMC), chaired by the Chief Risk Officer at Suntory Holdings Limited and with a membership comprising the directors of each of the Group companies' divisions and of key operating companies. In addition, we have established Risk Management Committees and Risk Management Teams at each of our operating companies.

The GRMC collaborates with the committees and teams at each of our business units to assess risks, implement countermeasures, and establish crisis management frameworks within the Group. It regularly reports its findings and activities to the Board of Directors, which in turn monitors these activities and evaluates their effectiveness to ensure accountability to all stakeholders, including our customers. To further enhance risk management, Suntory Group conducts internal audits on risks and countermeasures regularly.

➤ [For more information, see Corporate Governance](#)

## Enterprise Risk Management (ERM)

The risk surrounding companies is becoming more diverse and complex due to the globalization and informatization of the economy and growing public awareness of corporate social responsibility. Under the GRMC, Suntory Group conducts annual risk assessments for the entire Group. This assessment includes not only business risks but also environmental challenges, such as climate change, and social issues, such as human rights. The identified risks are assessed based on two axes: "risk exposure" (probability of occurrence x magnitude of impact) and "preparedness level" (degree of readiness) to identify significant risks to the Group as a whole. The GRMC designates personnel who will be responsible for risks identified as significant, then formulates, implements, and monitors countermeasures.

## Our Initiatives

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### Establishing Infrastructure for Crises Response

The risks companies face are becoming ever more complex, diverse and significant, and the enhancement of risk management is a necessity in management. Therefore, it becomes especially important to establish Business Continuity Plan (BCP) based on the estimation of potential damage in case of crisis. Suntory Group has developed a risk and crisis initial response manual for all Group companies. We aim to minimize impact and damage in case of disaster through timely information sharing and decision-making in event of a major crisis occurs to maintain the trust from society.

## Business Continuity Plan (BCP) Formulation and Implementation

In recent years, the world has faced a spate of risks posing a threat to continued socioeconomic activity, including both natural disasters (such as major earthquakes, flooding and landslides caused by typhoons and torrential rainfall, heavy snow, and volcanic eruptions) and the spread of infectious diseases. Suntory Group has formulated a Business Continuity Plan (BCP) that will enable us to continue doing business as much as possible without interruption in the event of a disaster, to securely provide high quality products and services to customers, thus fulfilling our responsibilities to provide supplies. The plan we have formulated goes beyond manufacturing at Suntory Group plants to include raw ingredient procurement and distribution as well as sales activities. We have taken steps to be able to decentralize our head office functions and infrastructure in an emergency and continue to strengthen our response structure to cope with contingencies.

## Large-scale Natural Disaster Measures

### Disaster Response Systems

In the event of a large-scale disaster, we will provide a quick initial response by setting up a Disaster Response Headquarters, mainly consist of the General Affairs Department of Suntory Holdings Limited and Suntory Beverage & Food Limited, to oversee the entire Suntory Group, and placing emergency response teams for each department under its control. The Disaster Response Headquarters' first response will begin with confirming the safety of employees and their families and collecting and organizing information on damage inflicted by the disaster. The task force will also oversee the restoration of office functions, restoration of information systems, and the arrangement of relief supplies, which will be carried out according to the response policies of each department involved. The Disaster Response Headquarters will also restore production operations and support customers and local communities. These systems and procedures are posted on the intranet so that employees can review them at any time. We have regularly reviewed our disaster response manuals, enhanced communication means and disaster supplies, and strengthened our disaster preparedness system, including that of our group companies. The Disaster Response Headquarters also has a remote response system in place to ensure a prompt and appropriate initial response in the event of an emergency.

### Establishment of Safety Confirmation System and Emergency Drills

In preparation for natural disasters such as major earthquakes in Japan, we have in place a system that utilizes mobile phones, PCs, etc., to confirm the whereabouts and safety of employees.

We conduct safety confirmation drills twice a year and work to raise awareness to ensure that the system operates smoothly.

We conduct regular disaster prevention drills based on the scenario of a major earthquake and drills focusing on how to get home from work on foot. We also regularly disseminate information on disaster prevention and mitigation and conduct an annual e-learning program. In addition, we have implemented a safety confirmation system for expatriates and their accompanying families, enabling swift verification of their safety in the event of an emergency overseas.



Disaster Countermeasures Headquarters Training

## Measures Against Infectious Diseases

Since the influenza pandemic in 2009, we have been taking measures to avoid the disruption of business operations by creating a manual on response process during a pandemic based on our Influenza Prevention Manual, disseminating information among employees, clarifying reporting system during pandemic, and strengthening measures to prevent the spread of infection. In addition, we created a course of action related to highly pathogenic diseases to handle all diseases. Furthermore, we have established a BCP that enables operations to continue even during a pandemic, highly-virulent influenza or other diseases.

## Tightening Information Security

We are tightening information security systems in the entire Group to respond to information security risks, which are one of the most serious risks in operations. Global security policies were also formulated in an effort to enhance informational security at a global level.

## Strengthening Information Security Systems

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Suntory Group has established governance through preservation and systems for informational assets by defining the Suntory Group's Basic Principles for Governance of Information Security based on the growing needs of society that demand even stricter management of corporate information security.

In response to the risk of information leaks on social media (including social networking services [SNS] such as Instagram, Facebook, X, and Line), we have formulated the Suntory Group's Social Media Policy, which stipulates rules for using social media. We are reinforcing the awareness of each and every employee in the handling of information while advancing the information management of the entire Group based on these policies.

### Suntory Group Information Security Basic Policy

Our information assets are a source of the Suntory Group's competitiveness. During our strategic usage and application of such assets, we must be worthy of our customers' trust in us and fulfil our corporate social responsibility. Thus, we have identified the appropriate safeguarding of information assets as being an important management challenge, and have instituted the following basic policy, which promotes information security governance.

- By maintaining a chain of responsibility for information security and by formulating and enforcing rules on the handling of information, we will strive for appropriate management as one group.
- By specifying how the information assets that we possess should be handled in accordance with their importance and any risks, we will strive for their secure and proper use and their appropriate safeguarding.
- We will conduct the ongoing education and training of our directors, all employees, and other personnel, and we will commit to awareness-raising regarding this issue and ensure full compliance with rules related to information security.
- We will strive to prevent information security incidents, and in the unlikely event that such an incident occurs, we will swiftly take action to recover and implement corrective measures.
- While complying with laws and regulations in every country we operate in related to information assets, we will continuously improve and enhance the abovementioned information security policies.

➤ [Suntory Group's Social Media Policy \(Japanese\)](#) 

## Enhancing Human Resource and Legal Management

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We have established rules and regulations for the correct use of information systems and the management of confidential information, and we are raising awareness of that information via our intranet. Moreover, we are raising Group awareness to the fullest at each Group company in Japan through the following measure:

- Improve information management systems that are based on vulnerability analysis
- Introduce e-learning and study sessions to increase awareness of the importance of information security and the handling of information
- Establish rules related to using social media and introduce study sessions for employees
- Conduct training related to targeted email attacks that are growing year after year
- Work with members under the guidance of risk management control supervisors and leaders at each company to improve IT literacy

In 2016, Suntory put in place the Computer Security Incident Response Time (CSIRT) as a specialized organization to response to computer security incidents in an effort to prevent informational security incidents and strengthen its response in times of disasters as a Group.

## Enhancing Physical and Technological Management

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In preparation for the risks of information leaks, unauthorized access, and intrusions, we are working to prevent the occurrence and minimize the impact if an incident does occur through technological countermeasures at our offices and in our information systems, threat monitoring, and employee education and training.

## Initiatives for Minimizing Social Media Risks

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Individuals can now easily distribute information with the rise in popularity of social media. However, we see the instances when negative information spreads widely through social media and damages corporate value. The Suntory Group is conducting activities to make employees more sensitive to social media risks (awareness raising through e-learning, group seminars and promoting use of various education tool, etc.) by formulating various standards and guidelines for use of social media, discovering risks as early as possible, and launching response systems to lessen the social media risks.



Social media risk seminar framework

## Response to the My Number System

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We have put in place measures to properly manage personal information safely at each Group company as deemed necessary for identifiable personal information (My Number System) introduced in Japan in 2016. We have confirmed that our subcontractors have put these measures in place as well.

## Protecting Customers' Personal Information

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Each company in Suntory Group stores personal information of many customers such as of those that applied for sales promotion campaigns and customers using mail-order of health and wellness foods, etc. The Suntory Group works to protect personal information of the entire Group according to the Act on the Protection of Personal Information and Guidelines to protect important customer information.

### Employee Education on Personal Information Protection

We hold e-learning and study sessions for all employees in the Group to disseminate the importance of personal information protection. We conducted more focused information security education in departments that directly handle personal information.

### Information Management of Mail-order Customers

Information of mail-order customers at Suntory Wellness Ltd. are centrally managed in a dedicated closed system at communication management center in which access is strictly managed using the Finger Vein Recognition system.



Finger Vein Recognition system

## Initiatives on Intellectual Property Rights

The importance of intellectual property is increasing along with the rising social awareness on intellectual property rights and recent movement on Government's measures and programs for the same. Suntory Group has established the Intellectual Property Department mainly focusing on patents as well as the Trademark Department focusing on trademarks and our corporate brand "SUNTORY," as divisions supervising our intellectual property rights of Suntory Group.

### Utilization of Intellectual Property

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Suntory Group acquires and utilizes the outcome of research & development and design activities in connection with our product, service and technology as intellectual property and promotes our corporate activities to continuously provide highly value-added products unique to Suntory Group that embody our "Yatte Minahare" spirit. In addition, based on our founding spirit of "Giving back to society," we proactively utilize such intellectual property in our sustainability activities and collaborative activities with various stakeholders for cohabitating in our



society and solving social problems. Throughout such utilization of intellectual property, we strive to maximize the brand value of "SUNTORY" as well as our product and service. We implement an incentive scheme based on Invention Regulation in the Group to promote and utilize employee inventions.

### **Respecting Intellectual Property of Others**

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While utilizing intellectual properties, we collect information upon working closely with the site of research & development, designing and marketing activities in order not to infringe intellectual property owned by others. For example, upon adopting new technology, we survey whether or not there is a patent owned by others in connection with such new technology. Furthermore, when adopting a new product name, we conduct whether or not it is registered as a trademark owned by others. We sometimes collaborate with the experts to judge whether our use of new technology and names are legally correct and appropriate.

# Compliance

Suntory Group strives to create an organization and corporate culture that place the highest priority on compliance to fulfill our responsibilities and meet the expectations of our customers and society.

## Our Policies and Approach

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### **Suntory Group Code of Business Ethics: The fundamental principles shared by all employees for the realization of our corporate philosophy**

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Suntory Group Corporate Ethics Code was established in 2003 and indicates the fundamental principles that all employees must share. We are building a compliance promotion system to realize our corporate philosophy from a cross-Group view based on this Code of Business Ethics. We also revised the content by referring to the ISO26000 international standard for social responsibility in 2012 and adapted the content in 2017 to make it more comprehensible for all Suntory Group employees worldwide.

[!\[\]\(339a16584d5da0f0a3ca4e9ec17bf6a1\_img.jpg\) Suntory Group Code of Business Ethics](#)

## Promotion Structure

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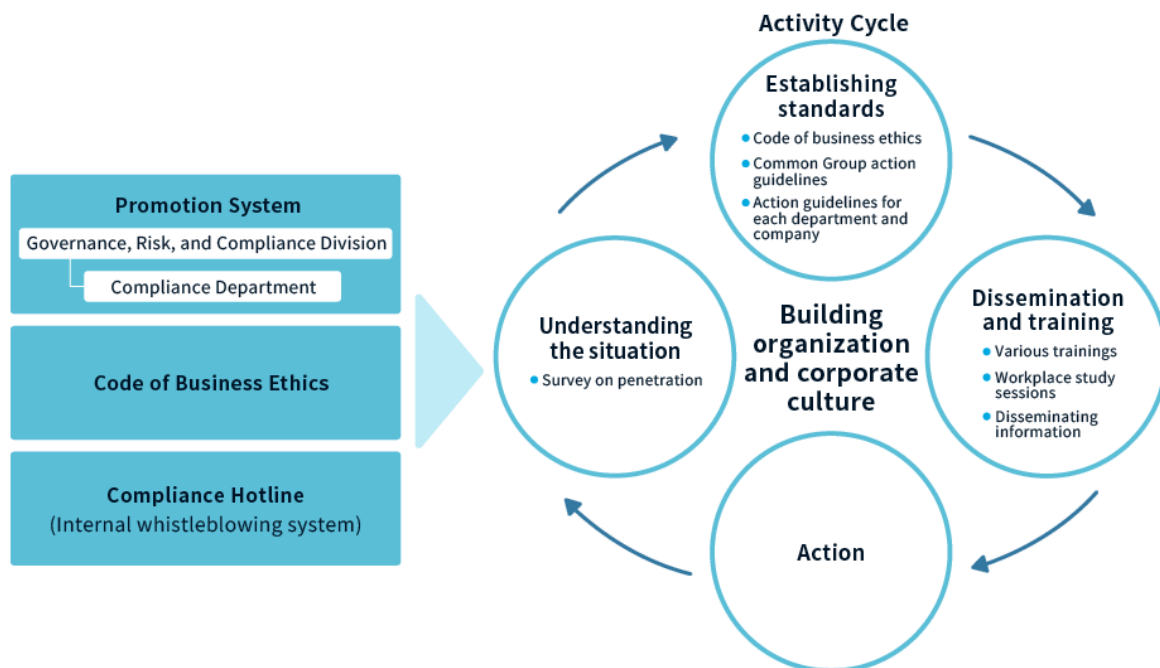
### **Promotion System Rooted in the Frontlines**

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To promote compliance while bringing together a variety of Group perspectives, we have established the Global Risk Management Committee and the Compliance Department, the latter of which functions as an expert body within our Governance, Risk, and Compliance (GRC) Division. It formulates and implements specific measures in line with GRC Division policies, monitors the status of their implementation at each workplace, and provides suggestions and advice on any issues that arise. It has also established a Compliance Hotline (internal reporting system) and responds to any and all reports in a spirit of fairness, impartiality, and good faith. We have revised some of the rules for the Suntory Group Internal Reporting System Regulations to operate more effectively under this system following revisions to the Whistleblower Protection Act. In addition, specific personnel responsible for promoting compliance are assigned at each Group company around the world. They take an active role in promoting compliance, formulating policy customized for the circumstances in their own company, and informing colleagues about that policy. The Compliance Department also supports Group companies in Japan to promote compliance, including by suggesting measures, providing tools, and running group training sessions.

The Compliance Department consolidates the Group's compliance-related efforts into a Compliance Report, which is presented to management annually. In addition, we have a system in place that prompts reporting of any compliance issues discovered to the Global Risk Management Committee when deemed necessary. The Global Risk Management Committee and Compliance Department will investigate any such report and take measures to both remedy the situation and prevent its reoccurrence. They report action taken to the Board of Directors where appropriate.

## Compliance Promotion Structure



## GRC Division Internal Audits

To verify Suntory Group employee compliance and that our business is being conducted as it should be, Suntory Group auditing departments conduct internal audits of all departments within the Group as well as of our subsidiaries, reporting audit results to our President and Representative Director as required.

➤ For more information, please see [Basic Concepts and Operations for the Internal Control System](#)

## Enhancing the Hotline for Early Discovery and Resolution of Issues

The basic rule in Suntory Group is that when an employee discovers actions that breach the Suntory Group's Code of Business Ethics, they must first report it to the supervisors and seek their advice. However, for situations where such reporting or consultation is not appropriate, we have established an internal whistleblowing system to ensure early detection and resolution of issues.

In Japan, we have set up a Compliance Hotline that can be accessed by all Group staff internally via our Compliance Department or externally via a third-party law firm. A multilingual support system is also available to ensure that foreign-national employees can use the service with confidence regardless of their Japanese level. Additionally, in order to remove any technical or financial barriers to using the service, we have ensured that it is accessible to all of our employees through a range of methods, such as online (including via smartphone), by landlines, and by mail.

The internal awareness of this mechanism is measured every year through initiatives such as the "Employee Awareness Survey" as a way to engage users and assess the current mechanism, and the current awareness rate is over 90%. We also strive to keep improving the awareness rate and accessibility of this mechanism by sharing these results (including comparisons with previous year) with our top management.

In 2024, a total of 178 reports were received through these contact points in Japan.

For reports that suggest compliance violations, we take into consideration the privacy protection of all persons involved in accordance with Suntory Group Internal Reporting System Regulations.

During this process, we respect the circumstances of the reporter and promptly have the compliance officer conduct a confidential internal investigation within the company. We involve the relevant executive in charge to swiftly seek corrections and ensure that the necessary actions are taken. This approach helps in addressing the issue and implementing measures to prevent recurrence.

After a certain period following the resolution, we conduct a follow-up to verify the corrective actions taken. This follow-up serves as the closing step for the case, ensuring thorough resolution.



Compliance Hotline awareness poster

Alongside the establishing of our Compliance Hotline, Suntory Group has, in our employment regulations and Internal Reporting System Regulations, prohibited any treatment detrimental to anyone making a report, including retaliatory behavior or the spreading of rumors concerning them. To prevent such occurrences, when the Compliance Department conducts an investigation, it identifies the persons concerned and then confirms the "internal reporting system regulations" to ensure that the rights of reporters are protected and not compromised.

Furthermore, by actively promoting awareness of the Internal Reporting System Regulations within the company on a daily basis, we strive to create a workplace culture that ensures the protection of reporters and others, not just the directly involved parties.

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graph TD
    Report[Report] --> Internal[Internal contact point  
(Compliance Department)]
    Report --> External[External contact point  
(third-party law firm)]
    Internal --> DetermineResearch[Determine need of research]
    External --> DetermineResearch
    DetermineResearch -- No --> ReportReason1[Report reason]
    DetermineResearch -- Yes --> Research[Reserach]
    Research --> Reporter
    Research --> Reported[Reported person/division]
    DetermineResearch --> DetermineAction[Determine need of Corrective action]
    DetermineAction -- No --> ReportReason2[Report reason]
    DetermineAction -- Yes --> CorrectiveAction[corrective action]
    CorrectiveAction --> Reporter
    CorrectiveAction --> Reported
    CorrectiveAction --> Preventative[Preventative measure]
    Preventative --> Completion[Completion or corrective action]
    Completion --> ReportReason3[Report completion]
    Completion --> FollowUp[Follow up]
    FollowUp --> Improvement[Improvement of issue/ Confirm Unfair treatment]
    FollowUp --> Reported
    FollowUp --> ImproveIssue[Improve issue]
    
```

The flowchart illustrates the Complaints Handling Process, starting with a 'Report' (indicated by a telephone and computer icon) which can be received by either an 'Internal contact point (Compliance Department)' or an 'External contact point (third-party law firm)'. The process then moves to 'Determine need of research'. If the answer is 'No', the 'Reporter' is informed of the 'Report reason'. If 'Yes', 'Reserach' is conducted, which involves communication with both the 'Reporter' and the 'Reported person/division'. This leads to 'Determine need of Corrective action'. If 'No', the 'Reporter' is informed of the 'Report reason'. If 'Yes', 'corrective action' is taken, which also involves communication with both the 'Reporter' and the 'Reported person/division'. This leads to 'Preventative measure', which then leads to 'Completion or corrective action'. The 'Reporter' is informed of the 'Report completion'. The process then moves to 'Follow up', which involves communication with both the 'Reporter' (regarding 'Improvement of issue/ Confirm Unfair treatment') and the 'Reported person/division' (regarding 'Improve issue').

## Activities to Ensure Compliance

In Japan, every year we provide opportunities for employees to re-familiarize themselves with the content of the Code of Business Ethics by means of workplace discussion sessions and e-learning regarding compliance related incidents that have occurred outside the Group, topics that are recognized as issues in the Group or in individual companies, etc. We also strive to remind employees about the fundamentals of compliance, and to promote ethical behavior.

Each Group company in Japan undertakes related activities in which the compliance promotion managers play a key role. In addition to supporting work by Group companies in Japan to promote compliance, our Compliance Department also provides training for newly appointed directors and managers at these companies, to help them develop a more in-depth understanding of the leading role that they need to play in compliance management.

## Our Compliance Training

Theme	Target
Raising awareness and ensuring understanding of our Code of Business Ethics	All Suntory Group employees
Job level-specific compliance training	New employees, newly appointed managers
E-learning on harassment	New employees

## Establishment of Insider Trading Prevention Framework and Internal Awareness Promotion

The GRC Division of Suntory Holdings Ltd. and the management headquarters of Suntory Beverage & Food Ltd. are working to comprehensively prevent insider trading through e-learning and other means based on the content provided by the Tokyo Stock Exchange, as Suntory Beverage & Food Ltd. is listed on the Tokyo Stock Exchange.

## Implementing the Suntory Group Code of Business Ethics in Business Activities

We clearly state our emphasis on compliance in the Code of Business Ethics. In our business activities, each department sets and implements policies and voluntary standards to address various compliance issues in their business activities under the principles outlined in the Code of Business Ethics.

## Ensuring Fair Business Practices

Suntory Group considers compliance with various laws, including the "Antimonopoly Act," and conducting fair business activities as fundamental prerequisites for our operations. Since the formulation of the Guideline for Compliance of the Antimonopoly Act in 1992, we have revised and implemented the guideline in accordance with revisions of laws and changes in the environment. We are working to ensure thorough awareness of and compliance with the Anti-Monopoly Act and related laws and regulations by posting on our intranet the Key Points to Consider for the Promotion Campaigns under the Act against Unjustifiable Premiums and Misleading Representations and our Compliance Manual for the Act against Delay in Payment of Subcontract Proceeds and by holding regular briefings for each division and Group company. To ensure fairness in our day-to-day activities with our suppliers and customers, our specialized departments are actively involved from the planning stages of product development, sales, and marketing, and verify the response policies and activities of related departments from the perspective of legal compliance.

## Establishing Committees to Promote Fair Business for Alcoholic Beverages

To ensure compliance with alcohol-related laws and internal standards, based on the Fair Practice Guidelines for the Liquor Business\*, Suntory Group has established the Fair Trade Promotion Committee within the organization to promote fair trade practices.

\* The Fair Practice Guidelines for the Liquor Business are administrative guidelines established by the National Tax Agency in 2006. These guidelines prevent worsening of management of liquor business operators and the reduction of liquor taxes due to dumping caused by excessive competition. We set fair partnership conditions and make rebates more transparent to stabilize management of liquor business operators. This is also coordinated by Fair Business Committee responsible for overseeing the Antimonopoly Act.

## Transparency of Business Activities and Prevention of Bribery

Suntory Group's Code of Business Ethics prohibits the provision of excessive business entertainment and gift-giving to any counterpart regardless of whether it is a corporate entity, individual, political or governmental entity, or any other related organizations or companies, and establishes that relationships with all parties should comply with laws and be fair and transparent. In response to a global strengthening of anti-bribery regulations, such as the Foreign Corrupt Practices Act (FCPA), we announced Suntory Group's basic approach to anti-bribery action for Suntory Group directors and employees worldwide (our Anti-Bribery Measures) in 2015. We also set regulations and benchmarks, in line with global standards, on business entertainment, gift-giving, donations, political contributions, and corporate sponsorships, and are working to promote awareness and understanding of these issues.

We make particular efforts to proactively promote awareness of and provide e-learning and other resources about our global anti-bribery regulations and benchmarks to employees who could encounter corruption in the course of their duties, as well as conducting regular monitoring of these situations.

Moreover, we have put in place a global Compliance Hotline to create and utilize a system for receiving reports and carrying out consultations. Employees are encouraged to immediately report any instances of known or suspected corruption to the Compliance Hotline.

## > Anti-Bribery Measures

### Risk Assessment for Corruption

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Suntory Group openly communicates about its due diligence processes and the nature of relationships with its business partners, working towards the establishment of a robust risk assessment framework that includes due diligence. For areas and transactions identified as high-risk regarding corruption issues, we focus on enhancing our activities.

Where the results of our business partner due diligence show that a business partner presents high risk in this area, we set out anti-corruption and anti-bribery provisions in our contract with them.

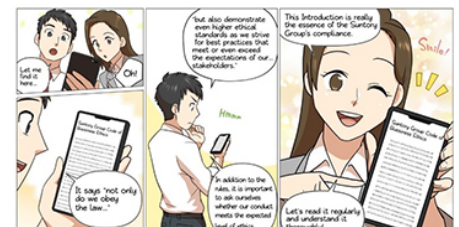
### Global Compliance Initiatives

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With Suntory Group's global expansion, we are committed to building a global promotion framework and aligning with global standards.

As part of our global risk management system, we have established the Suntory Group Global Hotline, a unified global contact window for whistleblowing which covers Group companies throughout the world.

The Hotline is able to receive reports in multiple different languages, including English, Chinese and Spanish, and can handle reports and requests for consultation from people in many different countries. In 2024, a total of 208 reports were received through contact points at our Group companies overseas. There were no reports relating to child labor or forced labor.



Educational tool to promote understanding of the Code of Business Ethics (cartoon)

The Compliance Department uses a shared global education platform to implement e-learning aimed at ensuring employee awareness of the Code of Business Ethics and of personal data protection issues, etc., and it provides support for compliance promotion activities at overseas Group companies.

The Compliance Department has also produced short manga-style cartoons as an educational tool to strengthen awareness of the Code of Business Ethics in an easy-to-understand way, and these are being effectively utilized by individual overseas Group companies as teaching materials for employees who do not have access to the environment needed for e-learning.

## Employee Awareness Survey to Understand the Awareness Towards Compliance and the Organizational Culture

To understand the status of compliance and the organizational culture as well as to determine if there are any individual issues, we conduct awareness surveys for all Group employees in Japan. The survey results help identify company-wide and departmental challenges, informing initiatives to foster a compliance mindset throughout the Group. We share the insights with directors and managers at each company, encouraging proactive measures for addressing identified challenges.

Overseas Group companies contribute to compliance management by conducting their own independent surveys.

## Suntory Group Business Partner Compliance Hotline

The Suntory Group Business Partner Compliance Hotline serves as a reporting channel for business partners of Suntory Group companies. Please contact the Suntory Group Business Partner Compliance Hotline if, as a business partner of a Suntory Group company, you become aware of misconduct of Suntory Group officers or employees, including conduct that violates or may violate laws, regulations, or the Suntory Group Code of Business Ethics, in the business with Suntory.

## > Business Partner Compliance Hotline



# Suntory Group's Code of Business Ethics

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## To all members of Suntory Group,

The Suntory Group's Code of Business Ethics (the "Code") outlines the fundamental principles that each of us must uphold in order to achieve Suntory Group's purpose: "to inspire the brilliance of life, by creating rich experiences for people, in harmony with nature." It serves as a shared guide on how to approach our role as members of Suntory Group.

Together with our colleagues across the globe, we continue to take on challenges and grow with the spirit of "Yatte Minahare." The world is undergoing rapid and dramatic change, and there will be times when conventional thinking no longer applies or when we are unsure of how to make the right decision. However, no matter how difficult the situation, we must always ask ourselves, "What is the right thing to do?" and make our decisions accordingly. For Suntory Group to continue growing, it is essential that we earn and maintain the trust of society—this trust is the very foundation of our activities.

To ensure this trust, each of us must remember that we represent Suntory Group. We must always consider what we can do to bring joy to our customers and consumers, and to take the initiative to act with integrity—this is the essence of "Doing Business the Right Way." I firmly believe that by each of us being sincere and by acting with integrity and compassion—we will enable Suntory Group to grow as a company that is trusted and loved around the world.

Now is the time for each of us to embrace the Code as our shared guidelines for conduct and work together with our global colleagues to realize "Growing for Good."

Suntory Holdings Limited  
Representative Director, President  
Nobuhiro Torii



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## Introduction

Suntory Group's Code of Business Ethics (the "Code") defines the fundamental principles that Suntory Group and its employees must embrace to achieve our corporate purpose, "to inspire the brilliance of life, by creating rich experiences for people, in harmony with nature." The Code contains values and ethics standards and sets out expectations for how we pursue our business activities in a way that fulfills our responsibilities to our stakeholders and gains their trust.

The ethos behind the Code is "Doing Business the Right Way", which we define as, not only complying with all applicable laws, regulations, and standards, but also conducting our business activities with fairness and integrity.

In a rapidly evolving world, we hold constant our commitment to high ethical standards while striving to create new value towards our goal of "Growing for Good". We believe that the standards in the Code will drive behaviors that will ensure that Suntory Group continues to be a successful business enterprise while maintaining the trust of consumers and the general public.

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## 1. Focusing on Customers and Consumers

**We at Suntory Group make sincere efforts to ensure integrity and transparency in all our interactions with customers and consumers. We aim to contribute to their happiness by providing safe, reliable and high-quality products and services.**

### 1.1 Commitment to Exceeding Expectations

We are committed to prioritizing quality and delivering value that meets and exceeds the expectations of our customers and consumers throughout all areas of our corporate activities, including research and development, procurement, production, and sales.

### 1.2 Responsible Information and Marketing

We strive to provide accurate and timely information, including with respect to the reliability and safety of our products, to help our customers and consumers make informed decisions. We ensure that our product labels, advertisements, and commercial messages are clear, accurate and not misleading. Furthermore, as a corporate group that engages in a wide variety of businesses, we are committed to the responsible marketing of all our products and services.

### 1.3 Promotion and Practice of Responsible Drinking

We ensure that the product labels, advertisements, and commercial messages for our alcoholic beverage products are clear, accurate and not misleading. We ensure that these messages target legal purchase age adult audiences and encourage responsible drinking to reduce the harmful effects of alcohol, such as excessive consumption and impaired driving. We expect all Suntory Group employees to model these desired behaviors.

### 1.4 Proactive Communication with Customers and Consumers

We strive to increase the satisfaction and trust of our customers and consumers by creating ample opportunities for interactive communication, and by reflecting their diverse views in our corporate activities.

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## 2. Conducting Business with Integrity and Fairness

**We at Suntory Group conduct all business activities in a fair and transparent manner, in accordance with all applicable laws and the highest ethical standards.**

### 2.1 Compliance with Laws and Respect for Fair and Transparent Activities

We comply with all applicable laws and regulations, as well as internal policies. We respect international standards, and conduct fair and transparent business activities with consideration for cultures, customs, traditions, and religions.

### 2.2 Free and Fair Business Competition

In relationships with business partners and competitors, we prohibit the pursuit of profit through illegal means and do not engage in any anti-competitive practices. Furthermore, we conduct our business activities based on free and fair competition.

### 2.3 Zero Tolerance for Corruption

We are committed to maintaining the highest levels of ethics and integrity and to complying with applicable anti-corruption laws in the countries in which we operate. We have zero tolerance for corruption and bribery, and we maintain a sound anti-corruption program. Provision of gifts and entertainment to government officials is discouraged and can be provided only under certain circumstances and in compliance with applicable laws and internal policies. Charitable donations, sponsorships, and political contributions must comply with applicable laws and internal policies.

### 2.4 Non-Involvement with Criminal Activities

We do not have, nor will we have, any associations with any organized criminal groups or be involved in other financial criminal activities, including money laundering.

## **2.5 Disclosure of Conflicts of Interest**

We require that all Suntory Group directors, officers, and employees promptly disclose all actual and potential conflicts of interest so that such conflicts can be properly addressed by Suntory Group.

## **2.6 Compliance with Import/Export Controls and Sanctions**

We comply with all applicable laws and regulations, embargoes, and other restrictive measures of each country in which we operate, including import and export controls and economic, financial, or trade sanctions.

## **2.7 Records and Disclosures Related to Corporate Activities**

We are committed to maintaining sufficient internal controls. We are also committed to recording and, when required, disclosing financial and non-financial information related to corporate activities, that accurately reflects the true state of Suntory Group. We ensure that all tax obligations are properly satisfied on the basis of such records.

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# **3. Contributing to Society**

**As a good corporate citizen, Suntory Group strives to make a positive impact on society.**

## **3.1 Contributions to Communities and Society**

We collaborate with stakeholders to engage in communities where we conduct business and contribute to the solution of local needs. In doing so, we strive to inspire a harmonious lifestyle within the communities and society.

## **3.2 Support for Employee Activities**

We actively encourage our employees to volunteer and participate in other social contribution activities.

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# **4. Conserving the Environment**

**We at Suntory Group strive to conserve the global environment and ensure that a sustainable society rich in biodiversity and harmonious with nature is preserved for future generations.**

## **4.1 Conservation and Restoration of Ecosystems, Including Water**

As a company that relies on water and agricultural products, we understand that water is the most vital resource for our business operations. We treat water with the utmost care, and we take pride in our efforts to conserve and restore the ecosystems in the areas from which we source water and raw materials.

## **4.2 Promotion of a Circular Economy and Reduction of Environmental Impacts**

We strive to promote a circular economy and reduce environmental impacts across the value chain by using resources efficiently and reducing greenhouse gas emissions.

## **4.3 Engaging with Society**

In pursuit of a vibrant, sustainable society, we collaborate with our stakeholders, engage in dialogues with local communities, and transparently disclose our progress.

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# **5. Creating a Positive Work Environment by Respecting Human Rights and Diversity**

**We at Suntory Group respect all human rights and diversity, and we strive to create a work environment where employees feel engaged**

**and motivated.**

### **5.1 Prohibition of Child Labor and Forced Labor**

We strictly prohibit the use of child labor, forced or involuntary labor or any other illegal labor practices in any of our business activities.

### **5.2 A Workplace Free of Discrimination and Harassment**

We respect the human rights and dignity of individuals and aim to create a workplace environment free from any discrimination based on race, religion, sex, gender identity, sexual orientation, age, nationality, language, disability, social origin or any other status protected by applicable laws and internal policies. We do not tolerate any forms of discrimination, harassment of any kind (including sexual harassment), or abuse. Due attention will be paid to safeguarding the privacy of all those affected.

### **5.3 Freedom of Association**

We respect employees' basic rights to freedom of association and to create and join organizations of their own choosing.

### **5.4 Positive Work Environment**

We aim to establish a workplace where employees can maintain both physical and mental well-being and work safely.

### **5.5 Open and Inclusive Work Culture**

We strive to foster an inclusive workplace culture where everyone can act freely and openly express their opinions, while respecting each other's viewpoints and positions. Additionally, through active communication, we aim to build a cohesive and collaborative work environment within Suntory Group.

### **5.6 Challenge and Growth**

We enable the personal growth of our employees by encouraging them to set and achieve challenging goals and feel pride and a sense of responsibility towards their work.

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## **6. Protection and Use of Corporate Assets**

**We at Suntory Group strive to appropriately safeguard, manage, and utilize company assets, including any information we hold, while respecting the rights of third parties.**

### **6.1 Management of Corporate Assets**

We properly manage our corporate assets, both tangible and intangible, and strive to protect them from safety threats such as natural disasters and cyber-attacks. In addition, we require that our assets are only used for appropriate business purposes.

### **6.2 Appropriate Use of Information**

We take reasonable steps to appropriately obtain, use, store, and dispose of personal and/or confidential information. We do not share confidential information within the business other than on a "need to know" basis, nor do we engage in the use of any such information for unlawful purposes, including insider trading.

### **6.3 Security of Intellectual Property**

We secure and defend our intellectual property, we respect the intellectual property rights of others, and we will not knowingly violate those rights.

### **6.4 Proper Use and Application of New Technologies**

We proactively incorporate innovative technologies to create new value and require that such technologies be used securely and reliably with high ethical standards.

### **6.5 Responsible Conduct of External Communication**

As members of Suntory Group, we understand that all public statements, social media activities, and the information we share in different circumstances can affect the reputation of Suntory Group. We remain constantly aware of this fact and promote responsible conduct at all times in public or external communications.

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## Administration and implementation

### SCOPE AND APPLICATION

1. The Code applies to all directors, officers, and employees of Suntory Holdings Limited and its group companies (Suntory Holdings Limited and its group companies are collectively referred to as “Suntory Group” and the “Group Companies”, and individually as a “Group Company” throughout the Code).
2. The senior management of each Group Company shall ensure compliance with the Code by modeling the behaviors embedded in the Code, promoting the Code within their respective Group Companies, and establishing effective governance systems to implement and uphold the Code. Each Group Company may establish and implement its own policies, guidelines, manuals, and other documents to support the Code. Such policies, guidelines, manuals, and other documents should not contradict the Code.
3. The Code is not a substitute for applicable local laws, regulations, or industry codes in the countries where Suntory Group operates. When applicable local laws, regulations, or industry codes are more restrictive than the Code, the more restrictive requirements shall apply to the relevant Group Company.
4. Suntory Group requests that any third party acting on behalf of Suntory Group or any Group Company complies with this Code. We also encourage business partners of Suntory Group to understand and respect the provisions in the Code.

### REVISION AND ABOLISHMENT

The revision and abolishment of the Code shall be agreed upon by the Global Risk Management Committee and approved by the Board of Directors of Suntory Holdings Limited.

### DEPARTMENT IN CHARGE



The Legal & Compliance Department of GRC Division, Suntory Holdings Limited (hereinafter, “The Legal & Compliance Department”), is responsible for the content and interpretation of the Code. The Legal & Compliance Department supports the Group Companies in the implementation of the Code.

### REPORTING OBLIGATIONS, NON-RETALIATION & DISCIPLINE

It is the personal responsibility of all Suntory Group employees to be familiar and comply with the Code. If any employee believes that any Suntory Group director, officer, employee, or third party acting on behalf of Suntory Group has violated or may violate the letter or the spirit of the Code, any other Suntory Group policies, or applicable law, they are required to report such activity through the reporting channels of their Group Company. Information reported and the reporter’s identity will be kept confidential to the extent possible and in compliance with applicable personal privacy laws, while still allowing appropriate investigation by Suntory Group. Suntory Group prohibits retaliation against anyone who reports in good faith a known or suspected violation. Violation of the Code may result in disciplinary action, in accordance with applicable internal rules of each Group Company or local laws and regulations, including termination of employment.

# Tax Policy

The Suntory Group has established the following tax policy based on the concepts of the Suntory Group Code of Business Ethics.

- [Global Tax Policy and supplementary note](#) 
- [Supplementary Documentation for UK](#) 

Below is the summary of Global Tax Policy.

## Operate effective tax governance to meet our compliance obligations:

We ensure tax compliance through regular reviews by the CFO of compliance with our global tax policy, clear reporting line at a global level, and the effective use of external professional advisors.

## Create synergies by maximizing returns, whilst paying the right amount of tax:

We, as a good corporate citizen, will pay what we determine in good faith to be the correct amount of tax in a tax efficient manner. To create sustainable businesses, we will consider the most tax efficient way, however, we will give the highest priority to business reasons and will not enter into any aggressive tax planning arrangements which we determine have the sole purpose of achieving a tax advantage.

## Pursue long term interests of society and our stakeholders:

We will maintain an open and transparent relationship with tax authorities in the jurisdictions in which we operate. Specifically, we will discuss with tax authorities in a timely and appropriate manner, we maintain full and timely disclosure of necessary information as required by law or queries from tax authorities, and if any disputes arise, we strive to achieve early agreement and resolution with tax authorities.

## Ensure the business is provided with timely support on tax issues:

We form active links between the tax teams and the business divisions in order to achieve our commercial objectives. Specifically, our tax teams provide the business divisions with sufficient tax awareness to support them in making optimized business decisions.

## Income Taxes Paid

(Billion Yen)

	Japan	Overseas	Total
2022	19.3	40.2	59.5
2023	34.7	39.4	74.1

\* The above amounts are based on "Country-by-Country Report" submitted to Japanese Tax Authorities, and not directly related to the Consolidated Financial Statements.



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## Evaluation from External Parties

2025

Jul. 2025

### Suntory Holdings Named on CDP A List for Both Climate Change and Water Security

Suntory Holdings Limited achieved the prestigious A List for Climate Change and Water Security based on the company's sustainability reporting in 2024 by CDP, a non-profit organization that runs global disclosure system on sustainability.



Jul. 2025

### Suntory Holdings Limited selected by the CDP as Supplier Engagement Leader 2024

Suntory Holdings Limited has been recognized on global environmental non-profit CDP's Supplier Engagement Leaderboard, ranking among the top 8% of all companies assessed for supplier engagement on climate change.



Jun. 2025

### Suntory Beverage & Food Limited selected as a Constituent of FTSE4Good Index Series, a global ESG investment index

Suntory Beverage & Food Limited has been selected as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index, the ESG investment index.

Feb. 2025

### Awarded the Human Capital Leaders 2024 and Human Capital Management Quality 2024 (Gold) for the Human Capital Survey 2024

Suntory Holdings Limited has been awarded the Human Capital Leaders 2024 and Human Capital Management Quality 2024 (Gold) under the Human Capital Survey 2024, which surveys the human capital management and information disclosure efforts of companies and organizations.



Jan. 2025

### Suntory Okudaisen Bunanomori Water Plant and Suntory Minami Alps Hakushu Water Plant Both Receives Alliance for Water Stewardship (AWS) "Platinum" Certification

Suntory Okudaisen Bunanomori Water Plant and Suntory Minami Alps Hakushu Water Plant both received "Platinum", the highest rating within the Alliance for Water Stewardship (AWS) certification.

## 2024

Dec. 2024

### Received the Green Logistics Partnership Conference Special Award under the 2024 Excellent Logistics Partnership Commendation Program

Suntory Holdings Limited has received the Green Logistics Partnership Conference Special Award under the 2024 Excellent Logistics Partnership Commendation Program. The awards are organized by the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure, Transport and Tourism.

Nov. 2024

### Suntory Holdings Receives Highest Rating of "5 Stars" in Nikkei Smart Work Awards 2024

Suntory Holdings Ltd. received the highest rating of "5 Stars (deviation of 70 or more)" for the seventh consecutive year in the 2024 Smart Work Awards.



Jun. 2024

### Suntory Beverage & Food Limited selected as a Constituent of FTSE4Good Index Series, a global ESG investment index

Suntory Beverage & Food Limited has been selected as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index, the ESG investment index.

April 2024

### Suntory Holdings Recognized as an Eco-First Company by the Ministry of the Environment

Suntory Holdings Limited has been certified as an “Eco-First Company” under the Ministry of the Environment's Eco-First Program.



Mar. 2024

### Suntory Group Companies Recognized as White 500 Enterprises of the 2024 Certified KENKO Investment for Health Outstanding Organizations Recognition Program

Suntory Holdings Limited, Suntory Beverage & Food Limited, and nine other Group companies\* have been certified as White 500 enterprises of the 2024 Certified KENKO Investment for Health Outstanding Organizations Recognition Program by the Ministry of Economy, Trade and Industry and the Japan Health Council.



\* Suntory Holdings Ltd., Suntory Spirits Ltd., Suntory Beverage & Food Ltd., Suntory Foods Ltd., Suntory Products Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd., Suntory System Technology Ltd., and Suntory Business Systems Ltd.

Feb. 2024

### Suntory Natural Water Sanctuary Akagi becomes first national forest to receive OECM certification

Suntory Natural Water Sanctuary Akagi has achieved OECM\* certification in line with Ministry of the Environment “30by30” goals, which aim to halt and reverse biodiversity loss in Japan by 2030.

\* We conduct maintenance activities for forests owned by the national government, local governments, and the private sector under agreements with them.

\* OECM is an acronym for “Other Effective area-based Conservation Measures.” OECM is an area conserved by initiatives of private organizations or one where conservation is achieved mainly as a by-product of other management.



Feb. 2024

### Suntory Holdings Named on CDP A List for Both Climate Change and Water Security

Suntory Holdings Limited achieved the prestigious A List for Climate Change and Water Security based on the company's sustainability reporting in 2023. by CDP, a non-profit organization that runs global disclosure system on sustainability.



## 2023

Dec. 2023

### Suntory Holdings Limited received the highest rating of "Gold" in the PRIDE Index, an index of LGBTQ+ initiatives

Suntory Holdings Limited has received the highest rating of "Gold" in the "PRIDE Index 2023" established by Work with Pride.



Dec. 2023

### Received the Resilience and Sustainability Award under the 2023 Excellent Logistics Partnership Commendation Program

Suntory Holdings Limited received the Resilience and Sustainability Award under the 2023 Excellent Logistics Partnership Commendation Program. The awards are organized by the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure, Transport and Tourism.

\* Shared with Daio Paper Corporation, Daio Logistics Co., Ltd., and Suntory Logistics Ltd.

Dec. 2023

**Suntory Kita Alps Shinanonomori Water Plant, which is a production base for Suntory Tennensui (Mineral Water), received the Japan Greenery Research and Development Center Chairperson's Award under the 2023 Factory Greening Award Program**

Suntory Products Limited's Suntory Kita Alps Shinanonomori Water Plant (Nagano Prefecture), which is a production base for Suntory Tennensui (Mineral Water), received the Japan Greenery Research and Development Center Chairperson's Award under the 2023 Factory Greening Award Program.

Nov. 2023

**Suntory Holdings Receives Highest Rating of "5 Stars" in Nikkei Smart Work Awards 2023**

Suntory Holdings Ltd. received the highest rating of "5 Stars (deviation of 70 or more)" for the sixth consecutive year in the 2023 Smart Work Awards.



Oct. 2023

**Five of Suntory Group's Natural Water Sanctuaries receives approval to be certified as OECM**

Five of Suntory Group's Natural Water Sanctuary initiative sites has been approved to be certified as Other Effective area-based Conservation Measures (OECM)\* to achieve the "30by30" goals, which targets to halt and reverse biodiversity loss by 2030 in Japan.

\* OECM is an acronym for "Other Effective area-based Conservation Measures." OECM is an area conserved by initiatives of private organizations or an area where conservation is achieved mainly as a by-product of other management.

Jun. 2023

**Suntory Beverage & Food Limited selected as a Constituent of FTSE4Good Index Series, a global ESG investment index**

Suntory Beverage & Food Limited has been selected as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index, the ESG investment index.

Mar. 2023

**Suntory Holdings becomes the first ever Japanese company to win the Best Data & Insights Award for APAC in Sedex Sustainability Awards 2023**

Suntory Holdings has been named the APAC region winner of Best Data & Insights Award in the Sedex Sustainability Awards 2023 held in London, UK on March 22nd. Suntory is the first ever Japanese company to become a winner in the award from the APAC



region.

Mar. 2023

#### **Suntory Holdings Limited selected by the CDP as Supplier Engagement Leader 2022**

Suntory Holdings Limited has been recognized on global environmental non-profit CDP's Supplier Engagement Leaderboard, ranking among the top 8% of all companies assessed for supplier engagement on climate change.



Mar. 2023

#### **Suntory Holdings Limited and Suntory Beverage & Food Limited recognized as a "White 500" in the "Excellent Health Management Corporation 2023"**

Suntory Holdings Limited and Suntory Beverage & Food Limited have been certified as "Excellent Corporations for Health Management 2022 - White 500" by the Ministry of Economy, Trade and Industry and the Japan Health Council.



Feb. 2023

#### **Suntory Kyushu Kumamoto Plant Receives Alliance for Water Stewardship (AWS) "Platinum" Certification**

Suntory Kyushu Kumamoto Plant has received "Platinum", the highest rating within the Alliance for Water Stewardship (AWS) certification.

# Initiatives and Industry Alliances

## United Nations Global Compact

Suntory Group supports international standards such as the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights, and is a signatory to the UN Global Compact, which contains universal principles for human rights, labor, and the environment advocated by the United Nations.



## The CEO Water Mandate

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



The CEO **Water** Mandate

## Alliance for Water Stewardship (AWS)

In February 2021, Suntory Group signed a partnership agreement with the Alliance for Water Stewardship\*, an international organization leading the global movement for water sustainability. The AWS Certification is an international certificate for sustainable water use targeting plants globally and aims to promote water stewardship.



\* Current name. At the time the agreement was signed, the name was the Alliance for Water Stewardship Asia Pacific.

## Science Based Targets Initiative (SBTi)

SBTi<sup>\*1</sup> encourages companies to set greenhouse gas (GHG) emissions reduction targets based on scientific evidence, and conducts audits and certification of company targets in this regard. Suntory Group's Environmental Targets toward 2030 have been verified by the initiative as consistent with the reductions required to keep global warming to 1.5°C. Suntory Group is also a signatory to the "Business Ambition for 1.5°C" campaign led by the SBTi in partnership with the UN Global Compact and the We Mean Business<sup>\*2</sup> coalition to hold global temperature increases to 1.5°C above pre-industrial levels.



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

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

## Task Force on Climate-related Financial Disclosures (TCFD)

Suntory Group has declared its endorsement of the TCFD\* recommendations established by the Financial Stability Board (FSB).



\* Abbreviation for the Task Force on Climate-related Financial Disclosures

➤ [For more information, see Disclosures Based on TNFD & TCFD Recommendations](#)

## Taskforce on Nature-related Financial Disclosures (TNFD) Forum

Suntory Group joined the Taskforce on Nature-related Financial Disclosures (TNFD)\*<sup>1</sup> Forum in April 2022 to accelerate initiatives that contribute to nature-positive outcomes. We also registered as a TNFD Adopter\*<sup>2</sup> in December 2023.



\*1 Abbreviation for Taskforce on Nature-related Financial Disclosures

\*2 TNFD Adopters are companies that have registered on the TNFD website their intention to make disclosures based on TNFD recommendations. Registered companies are required to make disclosures based on fiscal year information for 2024 or 2025.

➤ [For more information, see Disclosures Based on TNFD & TCFD Recommendations](#)

## 30by30 Alliance for Biodiversity

In April 2022, Suntory Group joined the 30by30 Alliance for Biodiversity, which aims to halt and reverse biodiversity loss to realize a sustainable society.



## Official Partnership for National Parks

Suntory Group has entered into an Official Partnership for National Parks with the Ministry of the Environment. This program aims to promote the wonders of Japan's national parks to the world and attract more visitors both from Japan and overseas. It is designed to deepen people's understanding of conserving the natural environment and revitalize the areas where the national parks are located.



## SAI Platform

In July 2022, Suntory Group joined the Sustainable Agriculture Initiative Platform (SAI Platform), a global not-for-profit organization advancing sustainable agricultural practices which was founded in 2002. Suntory Group was the first Japanese corporation to join the SAI Platform.



## Japan Clean Ocean Material Alliance (CLOMA)

It is a public-private alliance established in response to a call from the Ministry of Economy, Trade and Industry (METI). The alliance aims to build an efficient recycling system that meets the needs of each country by developing and promoting the use of plastic substitute materials and by offering information and technical consulting to other countries. Suntory Group has been a member of CLOMA since its foundation.



## Global Plastic Action Partnership (GPAP)

In November 2019, Suntory Group joined the Global Plastic Action Partnership, a global alliance working to solve environmental issues caused by plastics.



## Plastic Circular Challenge 2025

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In February 2022, Suntory Group joined Plastic Circular Challenge 2025, a Japanese domestic framework that aims to solve various issues related to plastics to achieve a sustainable circular economy.

## IARD

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Suntory Group is a member of IARD\* (International Alliance for Responsible Drinking), an organization that promotes responsible drinking around the world. The alliance promotes international efforts to promote appropriate alcohol consumption. As Suntory Global Spirits, Suntory has been a member of IARD since the alliance's establishment and has also been deeply involved in the formulation of the Industry Commitment for Reducing Harmful Use of Alcohol, an effort by the alcoholic beverage industry in response to the World Health Organization (WHO)'s Global Strategy to Reduce Harmful Use of Alcohol (adopted in 2010).

\* The IARD (International Alliance for Responsible Drinking) is a non-profit organization headquartered in Washington D.C. in which 13 of the major alcoholic beverage manufacturers from around the world participate.

## The Valuable 500

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Suntory Group has joined the Valuable 500, a global initiative promoting disability inclusion. The initiative was launched in January 2019 at the World Economic Forum Annual Meeting in Davos. Its aim is to encourage business leaders to carry out reforms to realize the potential value that disabled people can bring to business, society, and the economy.



## Environment-Related Committees of Liquor and Beverage Industry Associations (Japan)

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### Japan Soft Drink Association (Environment Committee, Vending Machine Committee, etc.)

➤ <https://www.j-sda.or.jp/> (in Japanese)

### Brewers Association of Japan (Environmental Committee, Container Environment Committee)

➤ <https://www.brewers.or.jp/english/index.html>

### Japan Spirits & Liqueurs Makers Association (Environmental Issues Committee)

➤ <http://www.yoshu.or.jp/> (in Japanese)

## Recycling Industry Organizations (Japan)

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### The Japan Containers and Packaging Recycling Association

➤ <https://www.jcpa.or.jp/english/tabid/603/index.php>

Activities: Recycling of containers and packaging, raising public awareness, and providing information.

Position: Member of the General Coordination and Planning Committee, Glass Bottle Committee, and PET Bottle Committee

### The Beverage Industry Environment Beautification Association (BIEBA)

➤ <https://kankyobika.or.jp/english>

Activities: Preventing beverage container litter and promoting environmental beautification

Position: Member of the Planning Committee

### Glass Bottle 3R Promotion Association

➤ <http://www.glass-recycle-as.gr.jp/> (in Japanese)

Activities: Promoting the 3Rs for glass bottles

Position: Director and member of the Steering Committee

### **The Council for PET Bottle Recycling**

➤ <https://www.petbottle-rec.gr.jp/english/> 

Activities: Promoting PET bottle recycling

Position: Director and member of the General Affairs Planning Committee, Collection and Reuse Promotion Committee, Public Relations Committee, Technical Review Committee, and Steering Committee

### **Japan Aluminum Can Recycling Association**

➤ <http://www.alumi-can.or.jp/> (in Japanese) 

Activities: Promoting aluminum can recycling

Position: Director and member of the Planning Committee

# Policies

The following is a list of Suntory Group's policies and guidelines. Please refer to ESG section in this website for relevant initiatives.

➤ [Suntory Group's Corporate Philosophy](#)

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➤ [Suntory Group Code of Business Ethics](#)

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➤ [Basic Concepts and Operations for the Internal Control System](#)

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➤ [Anti-Bribery Measures](#) 

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➤ [Global Tax Policy and supplementary note](#) 

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➤ [Supplementary Documentation for UK](#) 

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➤ [Suntory Group Sustainability Vision](#)

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➤ [Suntory Group's Environmental Principles](#)

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➤ [Suntory Group's Sustainable Water Philosophy](#)

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➤ [Environmental Vision toward 2050 and Environmental Targets toward 2030](#)

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➤ [Suntory Group Plastic Policy](#)

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## Suntory Group Human Rights Policy

➤ [Suntory Group Human Rights Policy \(English\)](#) 

➤ [Suntory Group Human Rights Policy \(Japanese\)](#) 

➤ [Suntory Group Human Rights Policy \(Simplified Chinese\)](#) 

➤ [Suntory Group Human Rights Policy \(Traditional Chinese\)](#) 

➤ [Suntory Group Human Rights Policy \(French\)](#) 

➤ [Suntory Group Human Rights Policy \(Indonesian\)](#) 

➤ [Suntory Group Human Rights Policy \(Spanish\)](#) 

➤ [Suntory Group Human Rights Policy \(Thai\)](#) 

➤ [Suntory Group Human Rights Policy \(Vietnamese\)](#) 

➤ [Suntory Group's Basic Policy on Sustainable Procurement](#)

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➤ [Suntory Group Partner Guidelines](#)

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➤ [Suntory Group Green Procurement Standard](#)

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➤ [DEI Vision Statement / Strategic Pillars](#)

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➤ [Employee Value Proposition - Unleash Your Spirit](#)

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➤ [Health Management Declaration](#)

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➤ [Voluntary Declaration toward Consumer Orientation](#)

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➤ [Basic Policy on Customer Satisfaction and Course of Action](#)

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➤ [Suntory Quality Policy of "All for the Quality"](#)

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➤ [Health Policy](#)

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➤ [Responsible Consumption - Suntory Group's Principle and Course of Action](#)

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➤ [Suntory Group Basic Policy on Social Activities](#)

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➤ [Suntory Group Information Security Basic Policy](#)

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➤ [Suntory Group's Social Media Policy \(Japanese\)](#) 

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➤ [Suntory Group AI Principle](#)

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# Editorial Policy on Sustainability Information

- [Editorial Policy on Sustainability Information](#)
- [GRI Standards Content Index](#)
- [SASB Content Index](#)
- [Stakeholder Capitalism Metrics Content Index](#)

Suntory Group is communicating its various sustainability initiatives through its website.

## Suntory Group's Sustainability Website 2025

This website provides comprehensive information about important activities to realize our Purpose “To inspire the brilliance of life, by creating rich experiences for people, in harmony with nature” and initiatives unique to Suntory Group.

Information such as sustainability-related data, unique Group company initiatives and dialogue with society are available. Please browse through the information based on your needs.

### Scope of Subjects Covered

#### Organizations

Covers 265 Group companies in Japan and overseas, including Suntory Holdings Limited.

Environmental data covers 27 production plants in Japan and 52 production plants overseas owned by operating companies that collectively account for 90% of Suntory Group's sales. The scope of personnel data is listed individually.

#### Time Frame

- This report covers activities from January 1, 2024 to December 31, 2024, but also includes some results from outside this period.

#### Guidelines Referenced

- GRI (Global Reporting Initiative), “Sustainability Reporting Standard”
- SASB (Sustainability Accounting Standards Board), “SASB Standard”
- Environmental Reporting Guidelines, Ministry of the Environment, Japan (2018 version)
- Common Metrics and Consistent Reporting of Sustainable Value Creation

### Issue date

July 2025 (previous issue: July 2024)

## Independent assurance

Part of the data reported on the Suntory Group Sustainability Website and elsewhere has third-party assurance from KPMG AZSA Sustainability Co., Ltd. in accordance with the International Standard on Assurance Engagements (ISAE) 3000 and ISAE 3410. Applicable data is marked with a ★.

## Inquiries

Suntory Holdings Limited  
Sustainability Management Division  
Sustainability PR & Education Group

## Performance Data

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# Performance Data

Suntory Group has brought together its performance for the main indicators (management, environment, and society) on our sustainability site and other media.

## Boundary

270 Group companies in Japan and overseas, including Suntory Holdings Ltd.

- The boundary of environmental data is as follows.  
2022 and 2023: data covers 27 production plants in Japan and 62 production plants overseas.  
2024: data covers 27 production plants in Japan and 52 production plants overseas.
- The boundary of personnel data, describe the scope of data individually.

## Independent Assurance

Actual results marked with ★ have been independently assured by KPMG AZSA Sustainability Co., Ltd. in accordance with International Standard on Assurance Engagement (ISAE) 3000 and ISAE 3410.

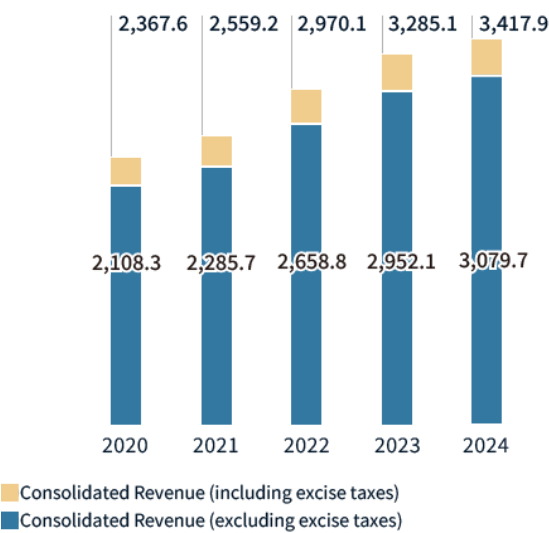
[Independent Practitioner's Limited Assurance Report](#) 

# Key Financial Data

## Consolidated financial Results

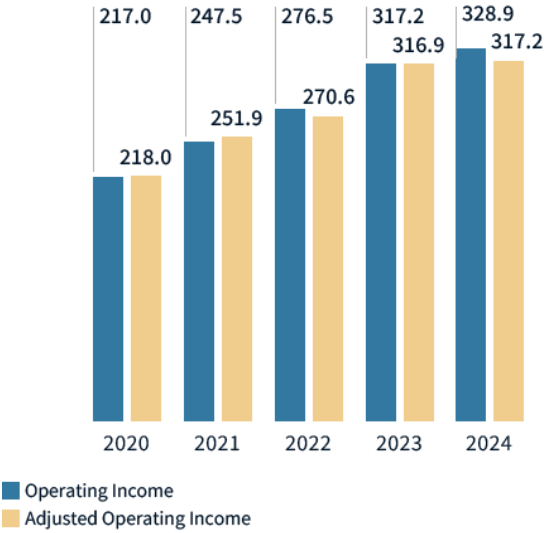
### Consolidated Revenue

(Billion yen)

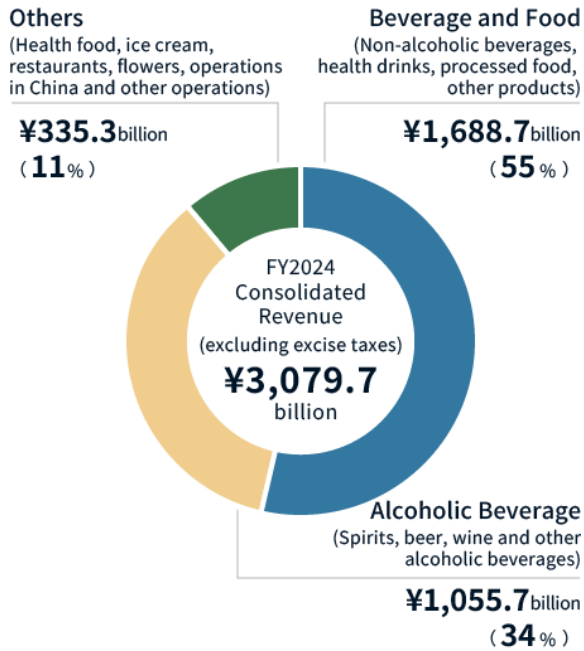


### Consolidated Operating Income

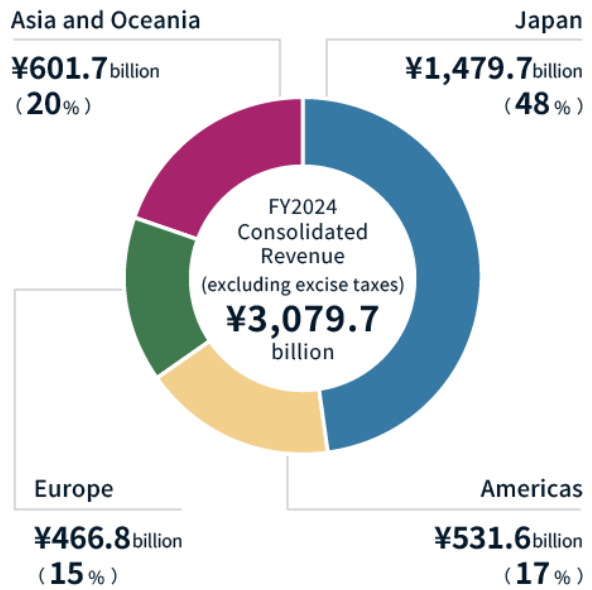
(Billion yen)



## Sales by Business Segment



## Sales by Area



## Economic contribution\*

2024 (Billions of yen)		
Economic contribution*	Revenues	3,079.7
	Operating costs	1,080.8
	Employee wages and benefits	486.3
	Payments to providers of capital	67.3
	Payments to government	81.3
	Community investment	7.5
	Financial assistance from government	-
Financial investment contribution	Capex - depreciation	80.4
	Share buybacks plus dividend payments	40.7
Total R&D expenses		32.7
Total global tax		81.3

\* Disclose based on the core metrics of Measuring Stakeholder Capitalism-Toward Common Metrics and Consistent Reporting of Sustainable Value Creation, as recommended by the World Economic Forum's International Business Council.



# Environmental Data

## Targets and Progress<Water>

2030	2024 Results
Reduction of water used in direct operation Reduce the water intensity of production at our owned plants by 35%*1 globally. In addition, explore reduction of absolute amount of water withdrawn in highly water stressed areas	Reduced the water intensity of production by 30% compared to 2015.
Water replenishment Replenish more than 100% of water used in at least 50% of our owned plants*2 globally, including all those in highly water stressed areas, through local water source conservation efforts. Especially in regions with high water stress, the above initiatives are implemented at all factories.	<ul style="list-style-type: none"><li>Water resource cultivation activities implemented in 36% of all owned plants globally.</li><li>For the plants located in highly water stressed areas, activities are implemented in 31% of those areas.</li></ul>
Sustainable water use in raw ingredients Collaborate with suppliers to improve water-use efficiency in the production of water-intensive key ingredients*3 in highly water stressed areas.	<ul style="list-style-type: none"><li>As part of our efforts in barley production through regenerative agriculture, we are continuously working with our suppliers to verify the improvement of water use efficiency by enhancing soil water retention.</li><li>Implemented a pilot program to assess and support water use through regenerative agriculture for coffee farmers in the Cerrado region of Brazil.</li></ul>
Water education and access to safe water Expand water education programs and initiatives to provide safe water access for more than 5 million people.	Total 1,750,000 people Water education program: 1,330,000 people Provision of safe water: 420,000 people

\*1 Reduction of water intensity of production based on 2015 baseline year

\*2 Suntory Group plants that manufacture finished products: 24 plants in Japan, 45 plants overseas

\*3 Coffee, barley, grapes

## Water Stewardship

Community Engagement	Unit	2015 (base year)	2022	2023	2024
Total water withdrawal	thousand m <sup>3</sup>	-	39,576	38,775	37,173★
Water intensity	m <sup>3</sup> /kL	4.53	3.3	3.26	3.17
Total water discharge	thousand m <sup>3</sup>	-	24,092	24,496	22,898★
Total water consumption	thousand m <sup>3</sup>	-	15,484	14,279	14,275

Water Withdrawal from Areas

Area	Water withdrawal (thousand m³)		
	2022	2023	2024
Japan	21,230	21,713	21,707
Americas	4,919	4,361	4,092
Europe	6,270	5,810	5,154
Asia	6,761	6,469	5,790
Oceania	397	422	429
Africa	-	-	-
Total	39,576	38,775	37,173★

Amount of Water withdrawal by Source

Intake source	Amount of water (thousand m³)		
	2022	2023	2024
Groundwater	17,520	17,530	16,606★
Rivers/lakes	3,986	3,382	2,539★
Rain water	0	2	5★
City water	18,070	17,861	18,023★
Total	39,576	38,775	37,173★

Water Discharge to each destination

Destination	Water Discharge (thousand m³)		
	2022	2023	2024
Rivers/lakes	14,283	14,874	13,565★
Sea	1,086	1,471	1,354★

Sewers	8,599	7,989	7,884★
Others (for watering plants, etc.)	124	162	95★
Total	24,092	24,496	22,898★

## Water Pollution Emissions

	2022	2023	2024
BOD(t)	22	27	24★
COD(t)	6	7	7★

Data covers 21 production plants in Japan that meet following calculation criteria (when discharged into sewage systems, neither BOD nor COD is recorded);

- BOD is recorded when discharged into rivers, COD is recorded when discharged into marine areas or lakes.

## Number of Participants in the Suntory Mizuiku and Other Water Education Program

Area	2022	2023	2024
Japan	27,175	76,213	45,779
Vietnam	61,070	57,850	534,228
Thailand	3,773	5,905	5,220
France	300	780	751
China	18,677	26,743	30,206
Spain	411	1,276	2,614
United Kingdom	-	665	803
New Zealand	-	5,574	0
Americas	1,120	4,667	10,645
Indonesia (figures only available until 2023)	19,837	21,500	-

\* The number of participants includes children, parents, teachers, and expert instructors.

## Targets and Progress <GHG>

2030	2024 Results
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Reduce GHG emissions from our direct operations (Scope 1 and 2) by 50%* <sup>1</sup>	32% reduction compared to 2019
Reduce GHG emissions across our entire value chain by 30%* <sup>1</sup>	13% reduction compared to 2019

\*1 Based on emissions in 2019.

## Scope 1 and 2 Emissions

Area	Scope	GHG emissions (Scope1 : thousand tons CO <sub>2</sub> e, Scope2 : thousand tons CO <sub>2</sub> )			
		2019 (base year)	2022	2023	2024
Japan	Scope 1	250	233	215	218
	Scope 2	183	58	37	24
	Scope 1+2	433	292	253	242
Americas	Scope 1	162	209	194	165
	Scope 2	63	10	0	0
	Scope 1+2	225	220	194	165
Europe	Scope 1	108	91	100	94
	Scope 2	17	0	0	0
	Scope 1+2	125	91	100	95
Asia	Scope 1	51	55	47	38
	Scope 2	153	179	170	138
	Scope 1+2	204	234	217	176
Oceania	Scope 1	11	6	8	7
	Scope 2	7	1	1	2
	Scope 1+2	19	7	9	9
Africa	Scope 1	7	-	-	-
	Scope 2	1	-	-	-
	Scope 1+2	8	-	-	-

Total	Scope 1	590	594	564	522
	Scope 2	424	248	208	164
	Scope 1+2	1,014	843	772	687

\* The boundary of GHG emissions is the entire Suntory Group.

Out of 687 thousand tons CO<sub>2</sub>e in the table above, Scopes 1 and 2 emissions of 643 thousand tons CO<sub>2</sub>e★ (Scope 1: 481 thousand tons CO<sub>2</sub>e★, Scope 2: 162 thousand tons CO<sub>2</sub>e★) have been independently assured, which do not include emissions of GHG other than GHG emissions at non-production sites outside of Japan. The reporting boundary for the figures independently assured is as follows:

27 production plants in Japan, 52 production plants overseas, and non-production sites in Japan (offices such as main office, training sites, R&D facilities, sales sites, restaurants and development sites)

\* Emission factors for GHG calculation are as follows:

Fuel:

For Japan: Factors specified by the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures.(using values before revision of the Ministerial Ordinance on Calculation)

For overseas: Factors obtained from fuel suppliers or factors specified by the Act on the Rational Use of Energy and the Act on Promotion of Global Warming Countermeasures.(using values before revision of the Ministerial Ordinance on Calculation)

GHG from Electricity consumption:

For Japan: The adjusted emission factors for each electric power company specified by the Act on Promotion of Global Warming Countermeasures (For submission in 2024).

For overseas: Factors obtained from individual power suppliers or IEA emission factors by country.

GHG other than CO<sub>2</sub>:

For Japan: Factors specified by the Act on Promotion of Global Warming Countermeasures

For overseas: Estimated from basic unit calculated from production volume and emissions at plants in Japan (partially based on actual measurements/derived values in accordance with the laws and regulations of each country).

\* The total may not match the sum of each figure due to rounding.

\* GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.

### Scope 3 Emissions

#### Suntory Group (Results for 2024)

Category	Emissions (thousand tons CO <sub>2</sub> e)	Calculation Method
1. Purchased goods and services	4,880★	<p>[Raw Materials and Packages] Calculated by multiplying the weight of raw materials and packaging materials purchased and used for products manufactured and sold by Suntory Group (in Japan and overseas) by the emission factors. A portion of Category 1 GHG emissions are calculated using emission factors calculated from the GHG emissions of suppliers of raw materials and packaging materials. In FY2024, the source of emission factors for raw and packaging materials in Asia and Oceania was updated from IDEA Ver 3.3 to 3.4 last year, and the Thailand Greenhouse Gas Management Organization (TGO) database was also adopted in some cases. In Europe, emission factors from the Ecoinvent database are mainly adopted.</p> <p>[Contract manufacturers] Calculated by multiplying the volume of the products that Suntory Group (in Japan and overseas) have outsourced to contract manufacturers by the emission factors.</p>
2. Capital Goods	615★	<p>Calculated by multiplying the amount of capital expenditure excluding land expenditure of Suntory Group by emission factors. The capital investment for barrels is calculated by multiplying the number of barrels by the emission factor.</p>

3. Fuel and energy-related activities not included in Scope 1 or 2	136	Calculated by multiplying the amount of energy consumed by Suntory Group by emission factors related to the collection, production, and transportation of applicable energy resources.
4. Upstream transportation and distribution	458	Calculated by multiplying the transportation volume in tons-km of goods owned by Suntory Group by emission factors.
5. Waste generated in operations	14	Calculated by multiplying the weight of waste disposed by Suntory Group by emission factors.
6. Business travel	30	Calculated by multiplying the amount of business travel expenses of Suntory Group by emission factors.
7. Employee commuting	24	Calculated by multiplying the amount of commuting expenses of Suntory Group by emission factors.
8. Upstream leased assets	23	Calculated by multiplying the storage volume as well as the floor area of distribution centers rented by Suntory Group by emission factors.
9. Downstream transportation and distribution	253	Calculated by multiplying the transportation volume in tons-km of Suntory Group by emission factors.
10. Processing of sold products	-	None
11. Use of sold products	476	The emissions of Suntory Group products at the point of sale and atmospheric emissions when products are opened are calculated by multiplying the sales volume and purchase volume, respectively, by an emission factor.
12. End-of-life treatment of sold products	311★	Calculated by multiplying the weight of packaging materials purchased and used by Suntory Group by emission factors related to disposal/recycling processing.
13. Downstream leased assets	461★	Calculated by multiplying the electricity consumption of Suntory Group's leased equipment by the emission factors.
14. Franchises	36	Calculated as Scopes 1 and 2 CO <sub>2</sub> emissions from the direct operations of companies and stores franchised by Suntory group.
15. Investments	-	None
Total	7,718	

\* The boundary of the scope3 emissions is Suntory Group's beverage and food, alcoholic beverages and health food business in Japan and overseas. For some overseas group companies, emissions were estimated by using Japan-based emission factors or production volume in Japan.

\* The emissions at retail stores and other sales outlets, which had been difficult to calculate in the past, is now included in C11.

\* Emissions of overseas subsidiaries in C13 is now included in FY2024.

\* Emission factors used to calculate emissions for Japan include the following:

a) "Emission factor database for corporate GHG emissions accounting over the supply chain (Version 3.5)"

b) "LCI Database AiST-IDEA version 3.4" (IDEA Laboratory, Safety Science Research Division, National Institute of Advanced Industrial Science and Technology)

\* GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials.



## Energy Consumption

	2022	2023	2024
Energy Consumption (MWh)	4,173,252	4,122,342	3,975,287
Renewable Energy Consumption(MWh)	787,831	950,977	990,786
Energy Intensity (MWh/kL)	0.35	0.35	0.34
Electricity Consumption (MWh)	-	1,194,505	1,130,365

\* Figures for renewable energy consumption and electricity consumption have been certified by a third party for results excluding non-production sites outside Japan.

Renewable energy consumption: 988,515MWh★, Electricity consumption: 1,124,060MWh★

The reporting boundary for the figures independently assured is as follows:

27 production plants in Japan, 52 production plants overseas, and non-production sites in Japan (offices such as main office, training sites, R&D facilities, sales sites, restaurants and development sites)

\* Electricity consumption includes in-house generation.

## SOx emissions

	2022	2023	2024
Emissions (t)	2.1	2.4	2.3
Per Unit (g/kL)	0.4	0.5	0.4

\*Data covers 27 production plants in Japan

## NOx emissions

	2022	2023	2024
Emissions (t)	108.1	114.0	90.9
Per Unit (g/kL)	21.1	21.8	17.5

\*Data covers 27 production plants in Japan

## By-products and Waste Generation Performance

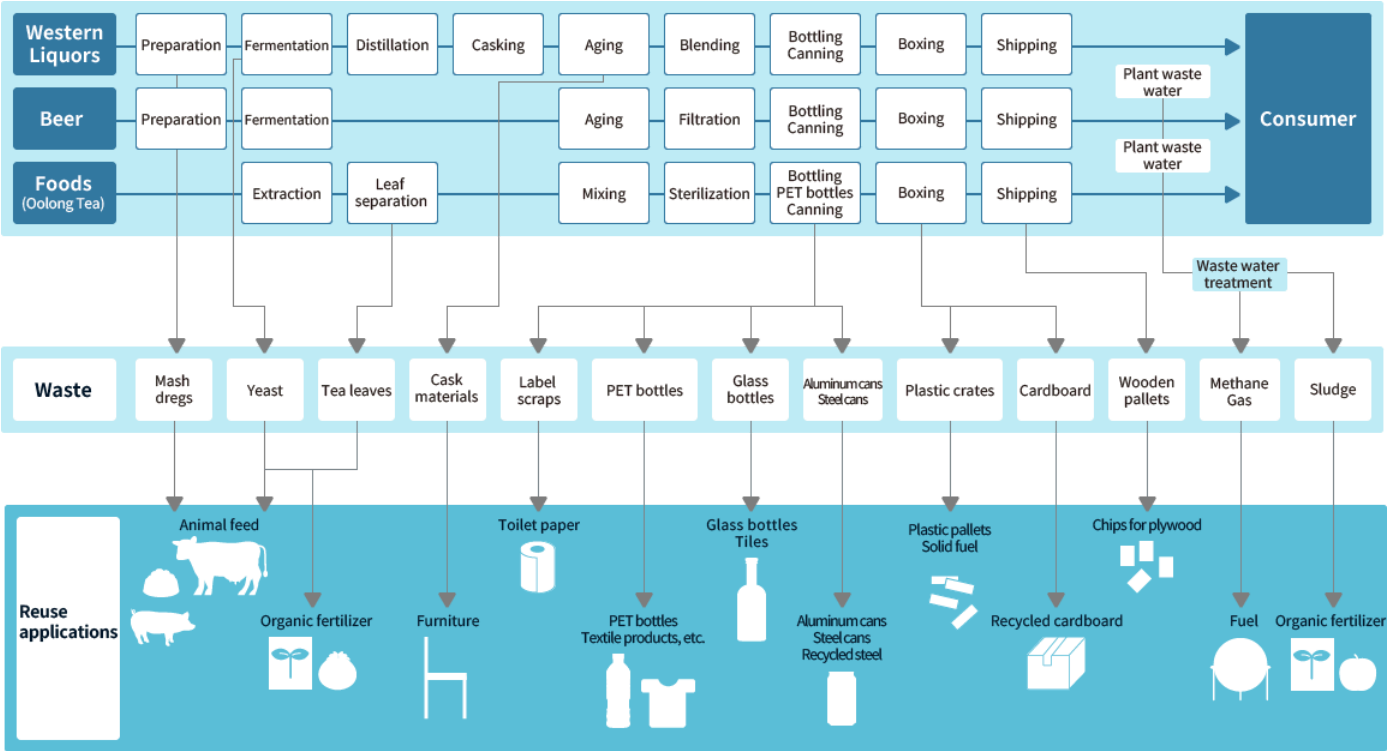
Area	Amount of discharge (thousand ton)		
	2022	2023	2024
Japan	230	271	251

Americas	541	427	301
Europe	144	166	139
Asia	54	32	32
Oceania	6	3	2
Africa	-	-	-
Total	975	900	724

Recycling Rate of Japanese Plants and Flow for Reuse of By-products and Waste Generated in Each Production Process

	2022	2023	2024
Amount of discharge (thousand ton)	230	271	251
Amount recycled (thousand ton)	230	271	245
Recycling rate (%)	100	99.9	97.8

\* Data covers 27 production plants in Japan



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

Type of waste	Main Purpose of Use	2022		2023		2024	
		Generation (t)	Recycling Rate (%)	Generation (t)	Recycling Rate (%)	Generation (t)	Recycling Rate (%)
Vegetable (glycation, tea, coffee dregs, etc.)	- Animal feed - Fertilizer	167,855	100	203,440	100	158,404	100
Sludge (excess sludge, etc.)	- Fertilizer	28,396	100	30,444	100	28,472	100
Wood waste (cask, palletes)	- Furniture materials - Plywood raw materials	3,658	100	4,243	98	3,993	98
Glass and ceramic scrap	- Glass materials - Base course material	1,172	100	1,224	100	1,281	100
Paper scraps (cardboards, paper labels, etc.)	- Recycled paper - Cardboard materials	5,735	100	5,671	100	5,660	100
Plastic	- Palette - Solid fuel - Supplementary fuel	5,810	100	6,036	100	5,838	100
Metal scraps (aluminum, steel)	- Aluminum - Steel ingredients	3,123	100	3,033	100	2,693	100
Other		13,979	100	16,863	100	44,196	87
Total		229,728	100	270,953	100	250,537	98

\*Data covers 27 production plants in Japan

## Environmental Training

	Target	Number of participating employees
Onboarding training (environmental management class)	New employees	
ISO14001 awareness and special education	Plant employees	

Sustainability management training (e-learning, etc.)	Group employees in Japan	21,237
Internal ISO14001 auditor training	Internal ISO14001 auditor	40
Environmental Law Training	Employees from relevant departments	79
Wastes Disposal and Public Cleansing Act seminar	Employees from relevant departments	381

## Social Data

### Employee Composition

Employee Composition	2022	2023	2024	Scope
<b>Number of Suntory Group employees (people)</b>	40,885	41,511	41,357	All Suntory Group companies
<b>Suntory Group companies within Japan (people)</b>	18,923	19,330	19,820	
<b>Suntory Group companies outside Japan (people)</b>	21,962	22,181	21,537	
<b>Of which, employees of Suntory Holdings and Suntory Beverage &amp; Food (people) (Below, shown as SHD/SBF)</b>	7,385	7,723	7,827	Suntory Holdings Limited and Suntory Beverage & Food Japan
<b>Regular employees (people)</b>	7,078	7,411	7,526	
<b>(Average age) (year )</b>	43	43	43	
<b>Executives (people)</b>	67	66	70	
<b>Advisors (people)</b>	34	25	25	
<b>Non-regular employees (contract employees, etc.) (people)</b>	166	184	170	
<b>Other (athletes, etc.) (people)</b>	40	36	36	

### Employee Retention

Employee Retention	2022	2023	2024	Scope
<b>Number of new hires (people)</b>	174	273	322	Suntory Holdings Limited and Suntory

Employee Retention	2022	2023	2024	Scope
Number of recent graduates hired (people)	114	170	232	Beverage & Food Japan
Number of mid-career hires (people)	60	103	90	
Number of employees leaving the company (people)	208	224	240	
Mandatory retirement (people)	136	143	141	
Of which, early retirement (people)	35	51	68	
Voluntary retirement (people)	60	68	88	
Others (people)	12	13	11	
Employee turnover rate (voluntary + early retirement) (%)	1.4	1.7	2.1	
Percentage of new graduate hires who are still with the company after 5 years *1(%)	92.0	88.2	91.8	
Average number of years of service (years)	18.0	17.7	17.6	

\*1 Calculated for new graduate hires (regular employees) of Suntory Holdings and Suntory Beverage & Food from 2017 to 2019.

## Career Development

Career Development	2022	2023	2024	Scope
Number of employees submitting applications through the career development internal recruitment system*1 (entry)	249	226	193	Suntory Holdings Limited and Suntory Beverage & Food Japan
Number of employees whose applications were approved (people)	36	31	27	
Career Vision interview*2 implementation rate (%)	97.2	97.4	97.7	
Career Vision: Motivation in current position (out of 5) (point)	4.1	4.13	4.32	
Career Vision: Satisfaction with current position (out of 5) (point)	3.84	3.82	4.04	

Career Development	2022	2023	2024	Scope
Number of employees holding other positions concurrently (people)	139	136	118	
Number of employees submitting entries to the “Walk the Walk—Yatte Minahare Award” <sup>*3</sup> (entry)	483	482	452	Suntory Group (Results for 2024)
Number of employees joining the FRONTIER DOJO internal entrepreneurship project <sup>*4</sup> (entry)	97	105	113	Suntory Group companies with in Japan
Number of employees attending the Career Workshop <sup>*5</sup>				
Third year since hiring (people)	303	127	138	Suntory Holdings Limited and Suntory Beverage & Food Japan
Tenth year since hiring (people)	121	160	187	
Mandatory for employees who are 43 years old (people)	196	288	208	
For employees between the ages of 46 and 53 (people)	Not offered	424	911	
For employees in their 50s (people)	191	181	117	
Number of career support interviews held by the Career Development Center (interview)	1,409	1,929	2,448	

\*1 This is an initiative that contributes to the growth of individual businesses and the personal growth of employees by cultivating new capabilities in a manner which is free from preconceived ideas.

\*2 Career Vision interviews are held for each employee once a year, to provide an opportunity for employees to think about their career through discussion with a manager, with the aim of “fostering the growth of individual employees through self-directed career development, and ensuring the effective utilization of human talent, including making sure that the right people are in the right positions.”

\*3 The “Walk the Walk—Yatte Minahare Award” is presented to teams that embody the “Yatte Minahare” spirit through the undertaking of original activities that challenge preconceptions and conventional methods.

\*4 In-house venture project started in 2021 to generate innovation and create the Suntory of the future

\*5 The Career Workshop is implemented in milestone years to provide an opportunity, in the form of a workshop, for employees to think about their careers, with the aim of “Enhancing career development over the medium to long term, and promoting more self-directed career management.”



## Learning

Learning	2022	2023	2024	Scope
Training expenditure per employee per year (yen)	301,000	368,000	392,000	Suntory Holdings Limited and Suntory Beverage & Food Japan
Suntory Self-Development Program				
Number of employees participating in voluntary training (people)	3,810	2,757	1,942	Suntory Holdings Limited and Suntory Beverage & Food Japan
Number of employees undertaking e-learning (people)	1,015	1,042	2,054	
Total number of participants in the Terakoya program*1 (people)	27,465	29,524	25,504	Suntory Group companies with in Japan
Number of employees participating in global talent cultivation initiatives				
Global Leadership Forum (people)	15	21	18	Suntory Group (Results for 2024)
Suntory Harvard Program (people)	31	20	0	
Beyond Borders (people)	26	26	26	
Global Leadership Development Program (people)	29	50	24	
Ambassador Program (people)	26	-	27	Suntory Group companies with in Japan
Total number of trainees successfully completing the program (people)	21	26	19	Suntory Holdings Limited and Suntory Beverage & Food Japan

\*1 A learning platform based on the concepts of "learning," "connecting," and "teaching each other" to foster a culture of more proactive learning

## Diversity

Gender	2022	2023	2024	Scope	
Percentage of new hires that are female (%)	47.7	49.5	46	Suntory Holdings Limited and Suntory Beverage & Food Japan	
Percentage of female employees (%)	26.2	27.5	28.4	Suntory Holdings Limited and Suntory Beverage & Food Japan	
Percentage of female employees by age group					
	20s (%)	42.6	44.9	46.1	Suntory Holdings Limited and Suntory Beverage & Food Japan
	30s (%)	30.7	32.1	33.2	
	40s (%)	21.8	23	24.5	
	50s (%)	20.7	20.6	20.2	
	60s (%)	15.6	16.8	17.1	
Number of female managers(people)	197	215	238	Suntory Holdings Limited and Suntory Beverage & Food Japan	
	Number of female managers (people)	11.1	11.8		12.5
Number of female Executives(people)	4	7	9	Suntory Holdings Limited and Suntory Beverage & Food Japan	
	Percentage of female managers (%)	6	10.6		12.9
Female employees' salary as a percentage of male employees' salary*1					
	All employees (%)	72.4	72.1	71.8	Suntory Holdings Limited and Suntory Beverage & Food Japan
	Of which, regular employees (%)	72.9	72.4	71.9	Suntory Holdings Limited and Suntory Beverage & Food Japan

Gender	2022	2023	2024	Scope
Of which, non-regular employees (%)	41.5	52.8	73.3	Suntory Holdings Limited and Suntory Beverage & Food Japan non-regular employees and others

\*1 Includes athletes employed by Suntory Holdings Limited.

At Suntory, there are no differences in wage structure or personnel system between men and women performing the same work. However, there are disparities as shown at left due to differences in average age, years of service, and the ratio of employees in managerial positions, as well as employment of professional athletes, etc. We will continue to increase the ratio of female new hires and female managers in order to eliminate disparities such as those shown at left and to create an organization where each employee can play an active role regardless of gender.

Balancing work responsibilities with childcare and nursing care responsibilities	2022	2023	2024	Scope
Number of female employees taking childcare leave (people)	104	104	96	Suntory Holdings Limited and Suntory Beverage & Food Japan
Percentage of employees taking childcare leave, etc. (%)	108.3	96.3	105.5	
Percentage of employees returning to work after childcare leave (%)	96.7	97.1	92.3	
Number of male employees taking childcare leave (people)	154	205	200	
Percentage of employees taking childcare leave, etc. (%) <sup>*1</sup>	79.8	98.1	111.7	
Percentage of employees returning to work after childcare leave (%)	100	99.4	98.7	
Number of male employees taking childcare leave (people)	11	6	8	
Number of employees taking nursing care leave (people)	0	2	2	
Number of employees making use of company-arranged home help services (people)	3	2	2	

\*1 The rate of men taking childcare leave, etc. is calculated using the method stipulated in Article 71-4, Paragraph 1 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members, which came into effect on April 1, 2023.

Senior employees	2022	2023	2024	Scope
Number of employees re-employed by the company at the	39	36	24	Suntory Holdings Limited and Suntory

Senior employees age of 65 (people)	2022	2023	2024	Scope
Percentage of employees re-employed by the company at the age of 65 (%)	40	39	34	Beverage & Food Japan

Disability	2022	2023	2024	Scope
Number of employees who have a disability (people)	105	120	119	Suntory Holdings Limited
Percentage of employees who have a disability (%)	3.04	3.08	2.91	
Number of employees who have a disability (people)	41	42	42	Suntory Beverage & Food Japan
Percentage of employees who have a disability (%)	2.65	2.76	2.88	

## Workstyles

Workstyles	2022	2023	2024	Scope
Average number of days of annual paid leave taken*1 (day)	17.6	17.6	16.7	Suntory Holdings Limited and Suntory Beverage & Food Japan
Average overtime hours worked per month (hour)	18.7	19.4	19.9	Suntory Group companies with in Japan*2

\*1 Encourage all employees to take at least 16 days of paid leave per year

\*2 Includes Suntory Holdings Ltd., Suntory Beverage & Food Ltd., Suntory Spirits Ltd., Suntory Products Ltd., Suntory Foods Ltd., Suntory Business Systems Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd., and, Suntory System Technology Ltd.

## Occupational Safety

Occupational Safety	2022	2023	2024	Scope
Occupational accident severity rate (%)	0	0.001	0.001	Suntory Group companies with in Japan*1
Lost time incident rate (LTIR)*2	0.14	0.21	0.14★	

Occupational Safety	2022	2023	2024	Scope
Number of employees undergoing occupational health and safety education (people)	712	656	768	
Total annual hours worked per employee (hour)	1,869	1,846	1,857	
Deaths due to occupational accidents (people)	0	0	0	Suntory Holdings Limited and Suntory Beverage & Food Japan

\*1 Occupational accidents involving full-time employees, special contract employees and part-time employees working at the following Suntory Group companies are included: Suntory Holdings Ltd., Suntory Beverage & Food Group, (Suntory Beverage & Food Ltd., Suntory Foods Ltd., Suntory Products Ltd.), Suntory Spirits Ltd., Suntory Wellness Ltd., Suntory Business Systems Ltd., Suntory System Technology Ltd., and Suntory Global Innovation Center Ltd.

\*2 Lost time incident rate (LTIR) (%)=Number of casualties due to occupational accidents (absence of 4 days or more)÷Total hours worked×1 million hours

## Labor Practices

Labor Practices	2022	2023	2024	Scope
Percentage of employees with the legal right to engage in collective bargaining (%)	54.5	52.5	52	Suntory Holdings Limited and Suntory Beverage & Food Japan
Number of reports made to hotline (cases)	215	232	386	Suntory Group

## Health

Health	2022	2023	2024	Scope
Percentage of employees having a health examination (%)	100	100	100	Suntory Group companies with in Japan <sup>*3</sup>
Percentage of employees having a further examination or in-depth examination (%)	83	91.1	89.5	
Percentage of employees eligible for specific health guidelines (%)	21.4	21.4	21.7	
Percentage of smokers who are non-smokers or currently quitting smoking (%)	83.5	83.1	83.2	
Percentage of employees having stress checks (%)	90.5	90.5	94.5	

Health	2022	2023	2024	Scope
Percentage of employees found not to have high stress levels (%)	91.8	91.9	92.8	
Presenteeism* <sup>1</sup> (%)	79.1	79.8	80.3	
Absenteeism (number of days absence due to injury or illness)* <sup>2</sup> (day)	0.7	0.7	0.6	

\*1 Work productivity (4-week average), with 100% representing no injuries or illness.

\*2 Number of days on which employees are unable to work due to feeling unwell (3-month average)

\*3 Includes Suntory Holdings Ltd., Suntory Beverage & Food Ltd., Suntory Spirits Ltd., Suntory Products Ltd., Suntory Foods Ltd., Suntory Business Systems Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd., and, Suntory System Technology Ltd.

Engagement

Community Engagement	2022	2023	2024	Scope
Engagement Survey response rate (%)	96	96	93	Suntory Group companies with in Japan* <sup>1</sup>
Percentage of Favorable Respondents Regarding Pride in Working for Suntory Group (%)	82	85	86	
Proud to work for Suntory Group (out of 100) (point)	79	81	81	
Percentage of favorable respondents regarding satisfaction with company (company they work for) (%)	73	69	71	
Satisfaction with company (company you work for) (out of 100) (point)	72	70	71	

\*1 Includes Suntory Holdings Ltd., Suntory Beverage & Food Ltd., Suntory Spirits Ltd., Suntory Products Ltd., Suntory Foods Ltd., Suntory Business Systems Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd., and, Suntory System Technology Ltd.

2024: 93% response rate and 7,199 respondents

Overseas Data

Employee Number (Y2024)

Region - Employee number	41,357
Japan (people)	19,820

	Americas (people)	7,501
	Europe (people)	4,897
	Asia, Oceania (people)	9,139

Business - Employee number		41,357
	Beverages & Food (people)	22,446
	Liquor (people)	9,868
	Others (people)	7,804
	Corporate (common) (people)	1,239

## Diversity (Y2024)

	Suntory Beverage & Food (APAC)	Suntory Beverage & Food (Europe)	Suntory Global Spirits Inc.	Suntory Japan*1
Percentage of new hires that are female (%)	46	43	42	46
Percentage of female employees (%)	38	35	40	28
Average age of male employee (years)	39	46	42	44
Average age of female employee (years)	39	42	40	39
Average age of Executives (years)	55	54	53	60
Percentage of female managers (%)	47	44	23	13
Percentage of female Executives (%)	33	40	29	13
Average number of years of service for male (years)	8.1	13	10	19.3
Average number of years of service for female (years)	7.5	9.8	9.1	13.2

\*1 People based in Suntory Holdings Limited and Suntory Beverage & Food Japan.



Engagement (Y2024)

	Suntory Beverage & Food (APAC)	Suntory Beverage & Food (Europe)	Suntory Global Spirits Inc.	Suntory Japan*1
Engagement Survey score (out of 100 points) (points)	78	73	77	71

\*1 People based in Suntory Holdings Limited, Suntory Beverage & Food Japan, Suntory Spirits Ltd., Suntory Products Limited, Suntory Foods Limited, Suntory Business Systems Ltd., Suntory Wellness Ltd., Suntory Global Innovation Center Ltd. and Suntory System Technology Ltd.