

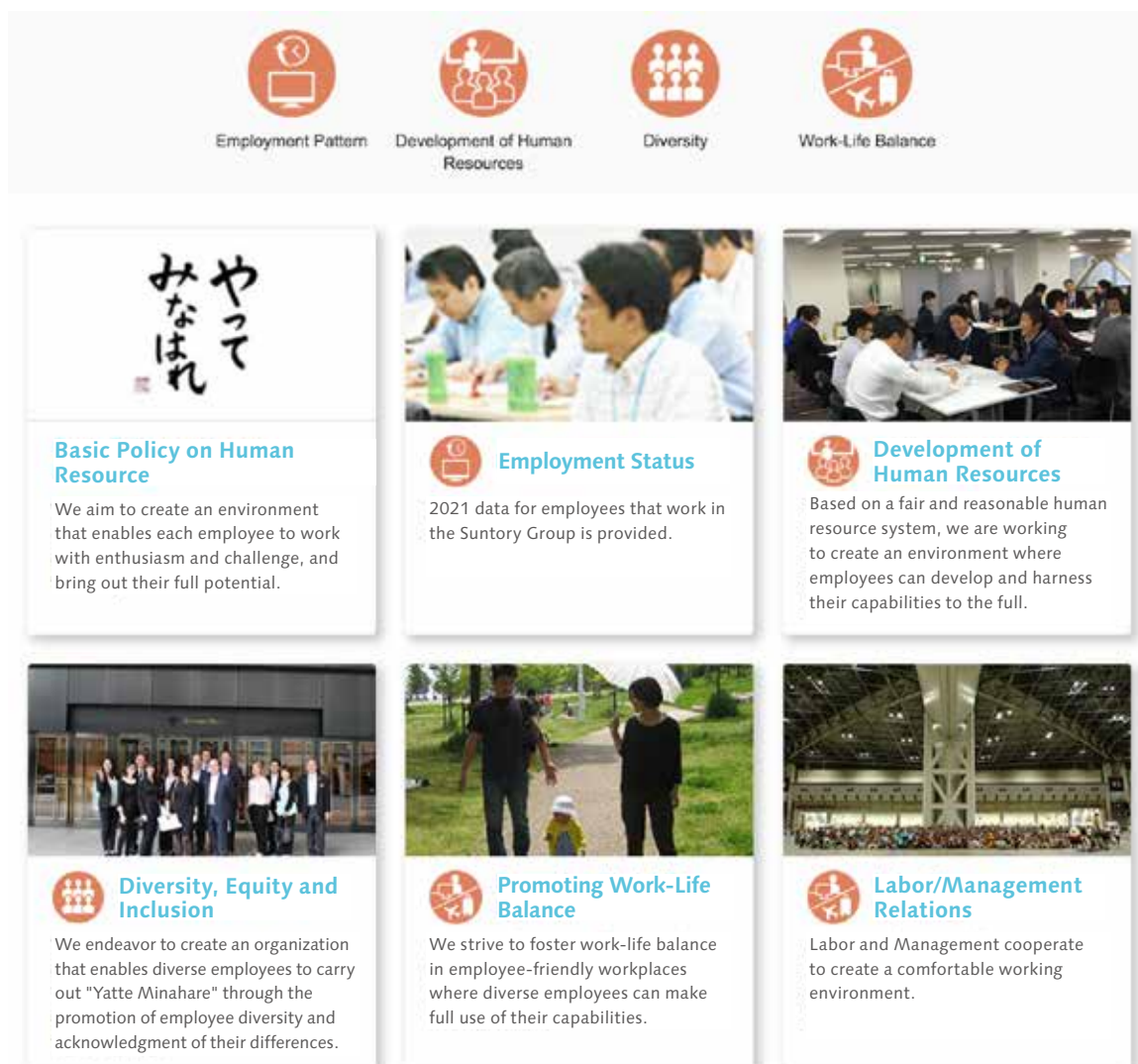
Sustainability Initiatives

To Create Harmony with Employee

Diversity Management

The Suntory Group promotes "Diversity, Equity & Inclusion," which is to respect various values without preconceptions or prejudice, and to create greater value by incorporating and utilizing such diverse values and ideas. The most important issues for the Suntory Group today are "human resource development" to take on the challenge of creating new value and "creating a creative workplace environment" where each and every employee can maximize his or her potential. We have also established a system to evaluate diverse employees who are willing to take on the challenges of higher goals without fear of failure.

* This applies to 6,787 employees under employment of Suntory Holdings Ltd. or Suntory Beverage & Food Ltd. and work at Suntory Holdings Ltd., Suntory Beverage & Food Ltd., Suntory Products Ltd., Suntory Wellness Ltd., Suntory Spirits Ltd., Suntory Beer Ltd., Suntory Liquors Ltd., Suntory Wine International Ltd., Suntory MONOZUKURI Expert Ltd. Suntory Business System Ltd. Suntory Communications Ltd., Suntory Beer, Wine & Spirits Japan Ltd. and Suntory Global Innovation Center Ltd., Suntory System Technology Limited., etc. (As of December 31, 2021; excluding global Group expansion)





Occupational Health and Safety

We promote occupational health and safety based on the belief that a workplace where employees can work with peace of mind is connected to the vibrancy of the company.



Suntory Group's Health Management

We have started health management from 2016 to further promote the health of our employees and their families.



Group global People and Culture initiatives

Suntory is involved in a wide range of initiatives on a global level as global expansion accelerates.

To Create Harmony with Employees: Diversity Management

Basic Policy on Human Resource

Suntory Group strives to be a group that continues to create new values through supporting the professional independence of each employee.

Basic Policy on Human Resource

Suntory Group has a human resource policy based on diversity management on the basis of our diverse employees and aims to realize Growing for Good by creating an environment that enables each employee to work with enthusiasm by fully utilizing their potential.

- Employment centered on the person, without considering their nationality, gender, age or disabilities
- Assign the appropriate person for the right job to utilize their individual skills
- Offering compensation based on individual performance



A fresh and lively corporate culture is sustained by the employees who perform work and at the same time represent ordinary citizens. We will continue striving to be a company that can take on new challenges based on the spirit of "Yatte Minahare-Go for it!" spirit through implementing a system and creating an environment that are both challenging and comfortable to work in.

■Survey on the company's organizational climate through the Employee Awareness Survey

The Suntory Group utilizes management policies by continually monitoring the awareness of its employees in realization of Growing for Good. In recent years, these surveys have been widely expanded to Group companies with surveys conducted at 69 companies in 2021. The results have played a role in solving many issues by providing feedback to the heads of departments.

■Commitment to Local Employment

The Suntory Group is actively hiring locally at each of its business locations to foster ongoing sustainable growth together with the local communities where it conducts business. Approximately 20,000 employees are working at Suntory Group companies overseas, most of whom were hired locally. The overseas ratio is roughly 54% of Suntory's total employment. As a general rule, our overseas Group companies hire executives and upper management personnel locally.

To Create Harmony with Employees: Diversity Management

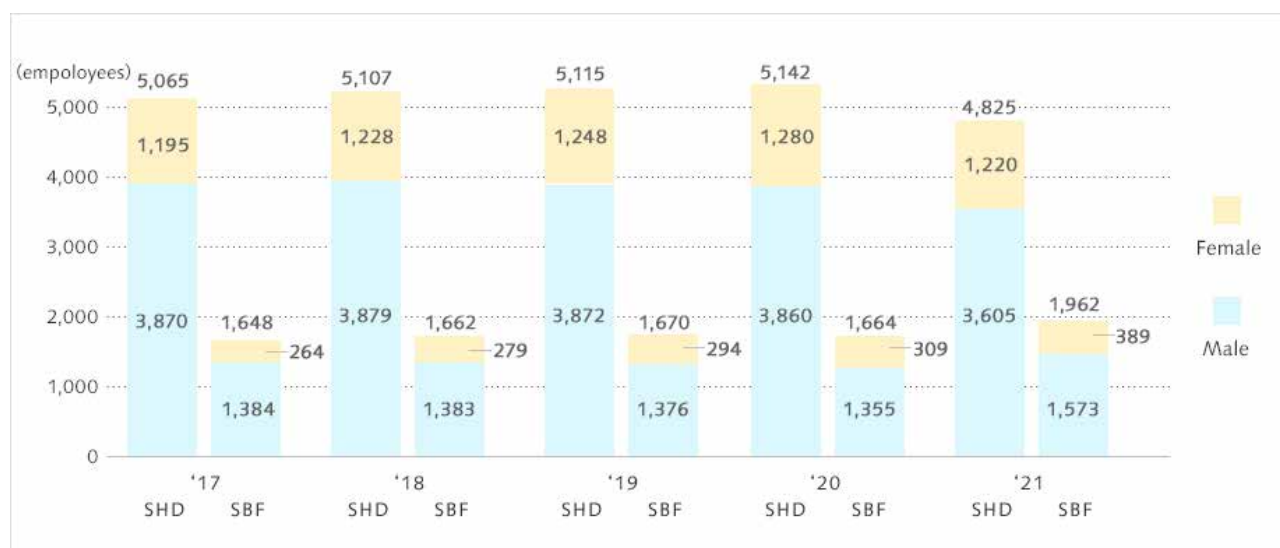
Employment Status

2021 data for employees that work in the Suntory Group is provided.

Employment Status at Suntory Group

Employment Status at the Suntory Group (Japan) as of December 31, 2021 is as below.

■ Number of Employees (as of December 31, 2021)



* SHD: Suntory Holdings Ltd.

* SBF: Suntory Beverage & Food Ltd.

■ Average age and average length of employment (as of December 31, 2021)

	2017		2018		2019		2020		2021	
	SHD	SBF	SHD	SBF	SHD	SBF	SHD	SBF	SHD	SBF
Average age	41.3	42.3	41.7	42.6	42.1	42.8	42.4	42.9	43.1	42.0
Average tenure	17.1	17.8	17.5	18.1	17.7	18.3	17.9	18.4	18.6	17.4

* SHD: Suntory Holdings Ltd.

* SBF: Suntory Beverage & Food Ltd.

■Age and Ratio (as of December 31, 2021)

(employees/%)

SHD+SBF		2021			
		Male	Female	Total	Ratio
	60s	432	65	497	7%
	50s	1,209	280	1,489	22%
	40s	1,628	347	1,975	29%
	30s	1,408	538	1,946	29%
	20s	501	379	880	13%
Total		5,178	1,609	6,787	100%
Ratio		76%	24%		

■Number of Employees (as of December 31, 2021)

(employees)

		2017			2018			2019			2020			2021		
		SHD	SBF	Total	SHD	SBF	Total	SHD	SBF	Total	SHD	SBF	Total	SHD	SBF	Total
	Male	45	13	58	43	14	57	44	14	58	44	14	58	44	14	58
	Female	2	3	5	2	3	5	1	3	4	1	3	4	1	3	4
Executives		47	16	63	45	17	62	45	17	62	45	17	62	45	17	62
	Male	1,432	643	2,075	1,459	654	2,113	1,497	668	2,165	1,541	686	2,227	1,593	676	2,269
	Female	200	40	240	217	40	257	231	42	273	239	47	286	256	66	322
	Managers	1,632	683	2,315	1,676	694	2,370	1,728	710	2,438	1,780	733	2,513	1,849	742	2,591
	Male	2,438	741	3,179	2,420	729	3,149	2,375	708	3,083	2,319	669	2,988	2,012	897	2,909
	Female	995	224	1,219	1,011	239	1,250	1,012	252	1,264	1,043	262	1,305	964	323	1,287
	Members	3,433	965	4,398	3,431	968	4,399	3,387	960	4,347	3,362	931	4,293	2,976	1,220	4,196
Employees		5,065	1,648	6,713	5,107	1,662	6,769	5,115	1,670	6,785	5,142	1,664	6,806	4,825	1,962	6,787
	Male	106	31	137	80	28	108	89	30	119	114	38	152	128	45	173
	Female	79	19	98	87	113	200	90	115	205	85	128	213	88	131	219
Contract employees, etc.*		185	50	235	167	141	308	179	145	324	199	166	365	216	176	392
Temporary staff		567	63	630	573	66	639	543	58	601	526	57	583	530	52	582

* Contract and temporary employees: Special contract employees, part-time employees, added SBF partner employees from 2018.

* SBF Partner Employees: Temporary staff that have become permanent employees.

* SHD: Suntory Holdings Ltd.

* SBF: Suntory Beverage & Food Ltd.

■ Number of Employees

(employees)

			2017		2018		2019		2020		2021	
			SHD	SBF	SHD	SBF	SHD	SBF	SHD	SBF	SHD	SBF
	New graduates	Male	68	17	69	16	70	24	66	20	71	19
		Female	48	20	45	16	47	18	49	18	43	13
	Experienced workers	Male	13	4	14	5	9	1	8	3	22	2
		Female	2	7	11	5	5	0	16	1	14	0
Total			132	48	139	42	131	43	139	42	150	34
Experienced workers ratio											24%	6%

* SHD: Suntory Holdings Ltd.

* SBF: Suntory Beverage & Food Ltd.

■ Number of Resignees and Reasons/turnover Rate

(employees)

		2017	2018	2019	2020	2021
	Retirement* ¹	39	66	89	128	122
	Personal circumstances	43	57	54	48	56
	Corporate circumstances* ²	2	1	0	0	0
	Other	4	8	2	7	8
Total		88	132	145	183	186
Turnover rate* ³		0.67%	0.86%	0.80%	0.71%	0.83%

*1 Retirement includes flexible-age retirement

*2 Company reasons include plant closure, sale of business, etc.

*3 Turnover rate is calculated based on retirees excluding those who retired at the mandatory retirement age.

■ Retention rate of new graduate hires



* Calculated for new graduates hired by Suntory Holdings Ltd. and Suntory Beverage & Food Ltd. that entered the company from 2014 to 2016.

To Create Harmony with Employee: Diversity Management

Development of Human Resources

Based on a fair and reasonable human resource system, we are working to create an environment where employees can develop and harness their capabilities to the full. Suntory Group has been engaging in development of human resources in the belief that growth of companies originates from human resources. With the current changes in the surrounding environment, we have given a collective name Suntory University for all Group-wide human resource development and training activities, in order to further strengthen them.

Build Human Resource System to Develop and Harness Capabilities

The Suntory Group's human resource system focuses on developing and harnessing the capabilities of each and every employee. Our philosophy is to offer fair and reasonable compensation in accordance with the employee's stage of capability development, and the results shown from harnessing those capabilities. The following three themes are central to this basic philosophy.

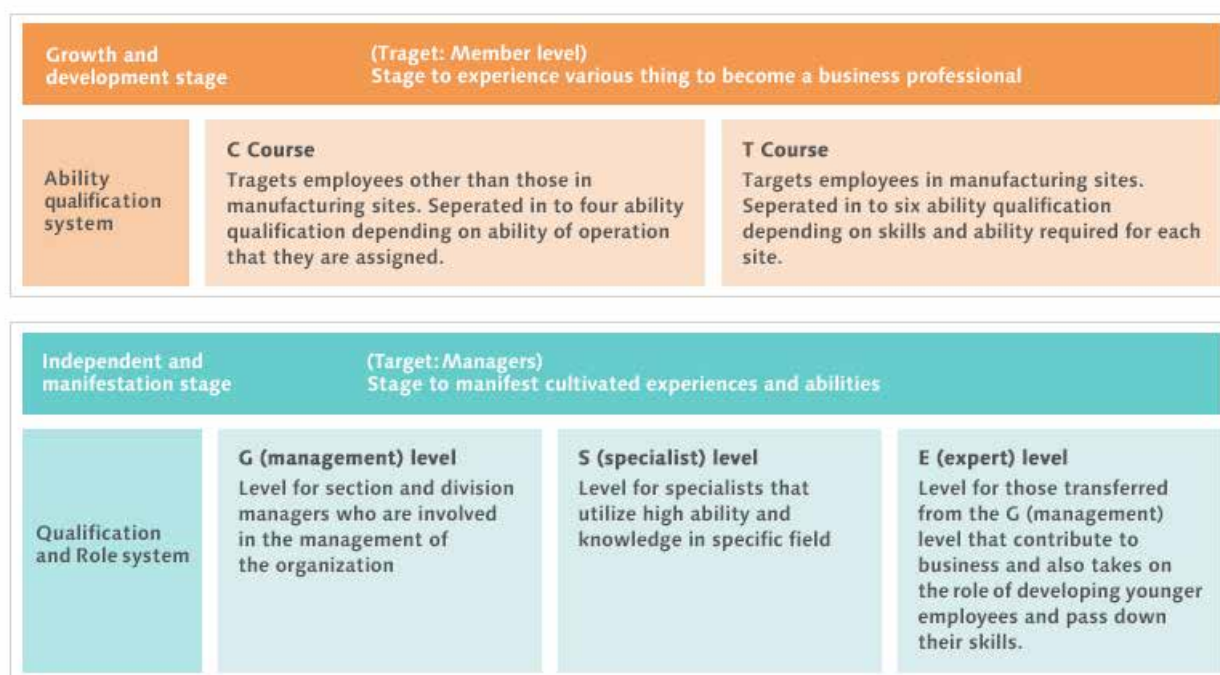
- Each employee takes on increasingly difficult targets and challenges with a spirit of improvement
- The company offers employees opportunities for skill and career development, and supports their self-actualization
- Compensation is fair, and clearly reflects the employee's role and results

■Ability Qualification System and Qualification and Role System

The platform of Suntory Group's human resource system is Ability Qualification System and Qualification and Role System.

Ability Qualification System is a system which ranks the employees according to their ability to do work. This system is applied to member level employees that are in the process of becoming a professional in business. By clarifying which abilities are required according to the ability qualification level, everyone can be evaluated and treated justly and raise aspiration and raise awareness of achieving a target.

Qualification and Role System is a system which ranks the employees according to their ability to do work and roles they must fulfill. This system is applied to manager level employees that exhibit their experience and ability.



■ Fair and Reasonable Evaluations

It is required to evaluate individual employees in fair and reasonable manner according to their roles and achievements to establish a corporate culture that is based on performance. Thus, Suntory Group holds interviews between superiors and subordinates four times a year to provide evaluations that each and every employee can agree with.

Member level employees that Ability Qualification System is applied to create "work plan" during the setting interview at the beginning of the year and are evaluated through reflecting back their performance and process against that plan and discussing with their superior at review interview. Feedback interviews with their superiors that follow the evaluations are used to pass on the results, discuss expectations and areas for improvement in detail, and encourage understanding of both the evaluation and further development and growth in their capabilities.

For manager level positions that have subordinates are evaluated by their superiors and also evaluation from their subordinates are referenced to evaluate how much of their role required were performed from multiple perspectives. We believe that operating a system that employees can agree to will establish a corporate culture based on performance and create an environment where everyone has spirit of improvement.

■ Introduction of Challenge Targets

From 2013, Challenge Targets was implemented for member level employees. Challenge Targets is a system which the employees set ambitious targets that are more difficult than everyday work of their own and its results are added to performance evaluation. By setting their own challenging target without the fear of failing allows for them to take prudent actions, which strengthen the culture of "Yatte Minahare" in Suntory Group's DNA.

■ Establishment of the "Walk the Walk-Yatte Minahare Award"

From 2015, the "Walk the Walk - Yatte Minahare Prize" was established for all Suntory Group employees. This award recognizes teams that embody the "Yatte Minahare" spirit through the undertaking of original activities that challenge the preconceptions of conventional methods. In 2021, the seventh year, 365 teams and 4,000 names from all over the world entered. The Suntory Group is continually pursuing the creation of new value on a global basis by working hard and having big dreams.

We are working to cultivate a climate allowing employees to take on challenges in-line with the "challenging targets" that were described previously.

■ Implementing Evaluation System in Cooperation with Labor Union

The labor union conducts a questionnaire for their members about the above mentioned four interviews a year. It surveys how each union member is in agreement through checking if "interview with the superior was sufficient" or "did you understand the result of the evaluation."

The results of the surveys are communicated to executive management, and are used to manage and revise the human resources system. Additionally, if any shortfalls in the interviews were seen, management questions the superior who conducted the evaluation and provides guidance.

■ Wage System that is Connected with the Evaluation

Suntory Group's evaluation index is based on the "results" of how much of the "work plan" was achieved and prudent actions set in the code of conduct for each qualification for the member level employees. These two indexes are connected to the raise and bonus in our wage system. For the manager level employees, in addition to their qualification, roles they have taken and achievements made in that role is used is considered in the wage system.

In addition, company's performance is made clear according to a set rule and is directly connected business performance as business performance-based bonus and retirement benefit pension system for long term stable pension are also available.

■ Introduction of "Career Vision"

The Suntory Group has been operating a system for employees to report the status of their workplace and desire for transfers to the human resource department once a year. We have advanced the placement of employees with the growth of individuals as the primary focus based on these reports more than ever before. In 2013, we created "Career Vision" for development of each employee and for assignment of the appropriate person to the right job in the aim of promoting each employee to grow mindful of their career. This system merges employees, their superiors, and human resources work to achieve optimum human resource assignments and encourage the growth of every employee. Based on the Career Vision Sheet filled out by each employee, their long-term career goal and efforts needed to achieve the goal are discussed.

In 2014, we established a site with information to support each employee's career design on the Intranet and other initiatives to strengthen the system.

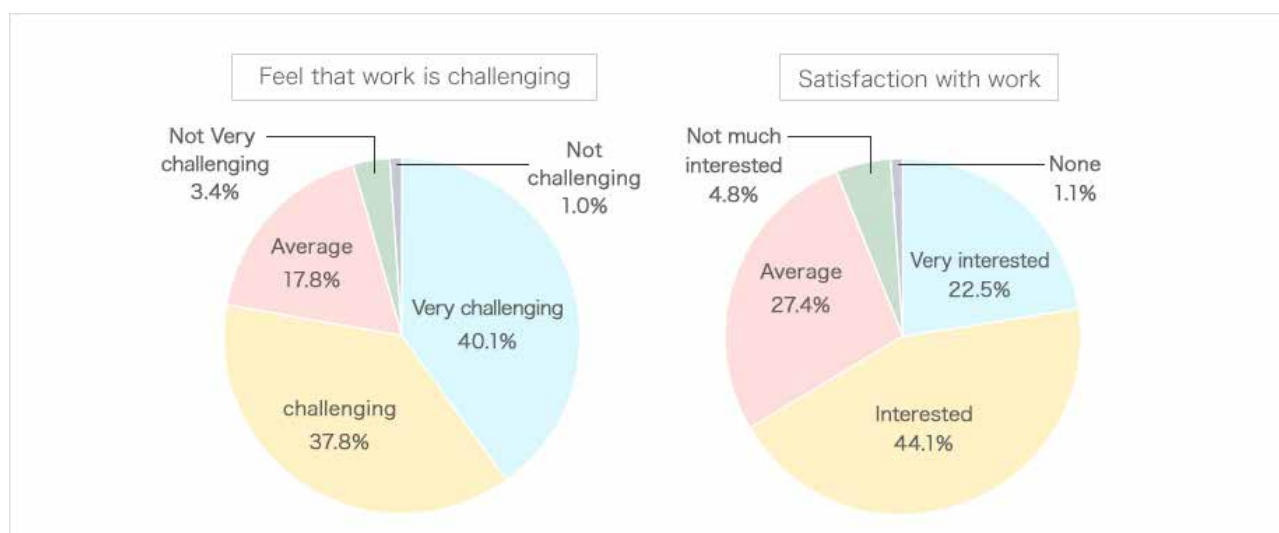
In addition, we have implemented a job rotation system for employees to experience multiple jobs over roughly ten years from when they enter Suntory to expand the possibilities of young employees. We are actively engaging in individual interviews with employees and the human resource department, including interviews with all fourth year and ninth year employees, to assign the right person to the right place.

■ Surveying Employee Awareness and Company Climate

We check things from the current situation of employees, the awareness about work, and aspects related to their health, family, and history to their desire for transfer and motivation towards work in interviews with the Career Vision. The results showed that 77.9% of employees felt motivation in their work and 66.6% of employees were satisfied with their work in 2021. The responses of individuals plays a role in assigning the right person to the right place considering the desire of the individual and it connects to the direction of corporate activities.

In addition, the Suntory Group conducts surveys about the organizational climate to assess how the corporate philosophy is recognized and understood in the daily operations of each employee that works in the Suntory Group. We are also surveying how employees see the organizational climate of each company and workplace, the policies, and compliance to share and utilize with management as well as each company and each division. We also conduct employee awareness surveys outside Japan, and in the 2020 survey, about 80% of the respondents said they were proud to work for the Suntory Group.

FY2021 Work Awareness



■Selected as One of the Most Admired Companies by Fortune

Suntory was ranked 4th in 2019 (Beverage and Alcoholic Industry) by Fortune magazine in The World's Most Admired Companies, the highest rank ever obtained by a Japanese beverage company.

The American magazine Fortune has been ranking global companies every year since 1997. The assessment is conducted for 650 companies with power on the world stage according to criteria for nine key attributes* based on a survey of roughly 4,000 people from corporate management to financial analyst.

*

- (1) Innovation
- (2) People Management
- (3) Use of Corporate Assets
- (4) Social Responsibility
- (5) Quality of Management
- (6) Financial Soundness
- (7) Long-Term Investment Value
- (8) Quality of Products/Services
- (9) Global Competitiveness

Suntory has participated in the survey since 2013.

We will strive to continue to be recognized worldwide in the future with pride in the high regard we have already earned around the globe for our corporate activities.

■Suntory Receives Hall of Fame at the Fourth Nikkei Smart Work Awards

In the Nikkei Smart Work Management Survey conducted by Nihon Keizai Shimbun, the company received the Grand Prize for the 2nd and 3rd consecutive years, and in the 4th and 5th screening in 2021 and 2022, respectively, the company was selected for the Hall of Fame, which is reserved for companies that have received the Grand Prize in consecutive years. The company has consistently received the highest five-star rating in the overall evaluation. In particular, in the area of "ability to utilize human resources," the promotion of diverse work styles, such as the promotion of telecommuting, has been highly evaluated.

Suntory University

The Suntory Group is supporting the development of employees based on the belief that employees have always been the source of growth for companies.

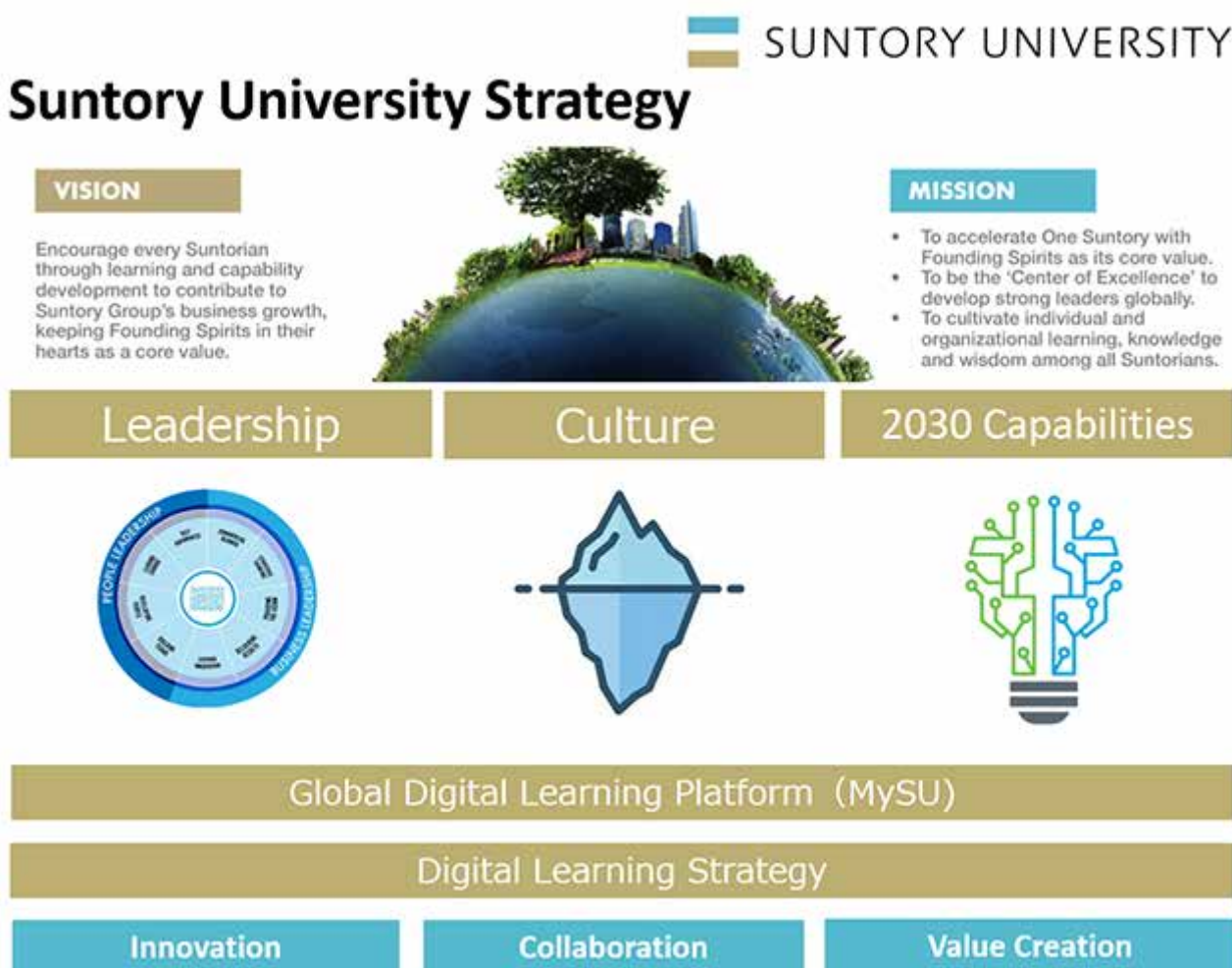
Suntory University was opened in April 2015 as a place for all people at Suntory to learn and unite as ONE SUNTORY with the founding spirits as a shared value. We endeavor to support our employees through a broad range of development initiatives.

Vision of Suntory University

- Encourage every Suntorian to contribute to Suntory Group's business growth
- Keep Founding Spirits in their heart as a core value.

The vision also includes the realization of "One Suntory" globally through understanding of the founding spirits by all group employees.

Suntory University provides learning opportunities to all employees who belong to the Suntory Group in three fields; Leadership, Culture and 2030 Capabilities.



■ Global

Leadership

We provide opportunities for our employees to develop their leadership through customized programs including action learning, case method, workshop with senior management etc. and carefully craft the programs so that they always link to management strategies.

Suntory Harvard Program

The Suntory Harvard Program aims to provide employees with a broad and expansive view of the global environment, and understand how successful businesses thrive in a complex, competitive and rapidly changing global economic environment. This program will broaden a perspective to be true global leaders and global thinkers, to establish a strategic roadmap for Suntory's future, lead culture transformation, leverage diversity and embrace inclusion to accelerate innovation and disruption in our industries.

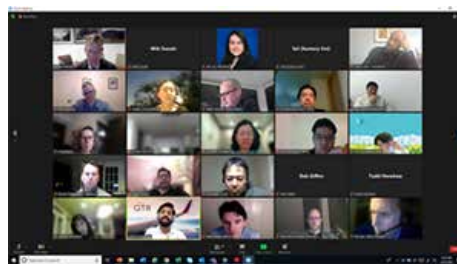


Beyond Borders

The Beyond Borders Program aims develop future leaders with an enterprise-wide mindset across Suntory and accelerate development journey towards Senior Leadership.

It intends to increase individual leadership effectiveness; drive innovative thinking ('seeing the unseen'); accelerate strategic thinking through understanding our business & challenges within that. The program allows our senior leaders to build a global network to accelerate the development of cross enterprise leadership capabilities across the organization.

In 2021, 25 participants were selected from our Business Units around across the globe. Partnering with Wharton Business School, part of the University of Pennsylvania, the program started in November 2021 and finishes in June 2022, consisting of four modules. The first module begins with conversations about their own "Leadership Identity" , and each module after that focuses on a different element of strategic leadership: Vision (Growing for Good), Strategy (Develop the roadmap), Impact (Lead the Change). Following each module participants are assigned to teams to focus on an 'Action Learning Project' that allowed them to apply their learning against real business challenges and opportunities. We have used a hybrid approach to delivery with the first three modules virtually and the last one in person in Tokyo.



GLDP

The Global Leadership Development Program (GLDP) is designed to develop Strategic Development across our Suntory Leadership Spirit Leadership behaviors. It aims to continuously produce future global management talents at the mid to senior leader level selected from throughout the Suntory Group. The program also seeks to develop a global leadership mindset & broaden perspective for the future while creating emotional bonds to Suntory & other leaders across the globe.

GLDP is an 8-month program that includes three modules, study groups, and an action learning project, all facilitated by Suntory University and the Moller Institute from the University of Cambridge.

In 2021, due to the global pandemic, two of the three modules were held virtually, and a total of 26 participants from different countries and different businesses joined them.

Participants attended lectures by Moller Institute business school faculty and outside experts. Weaving the Suntory Leadership Spirit through the whole program, some of the topics included next-generation leadership, self-awareness, understanding of Suntory's DNA and business, and cross culture team effectiveness as well as strategic leadership core topics.

We were able to deepen understanding by connecting lectures on sustainability and innovation to Suntory's leadership behaviors, and a unique leadership development is realized.

The program attendants will gain a deep understanding of the nature of leadership in global management through the experience of integrating their learning, applying it to 'real life' and presenting it to the top management through their Action Learning Projects.



Culture

We have started and are planning to expand the activities at all group companies to share and deepen understanding of the founding spirits, “Yatte Minahare” spirit and the spirit of “Giving back to society.”

GLF

The Global Leadership Forum (GLF) is held for senior leaders who have newly joined Suntory Group to provide immersion, inspiration & connection to Suntory as an organization through the MVV & Suntory culture.

*Due to the pandemic, the program was divided into three themes (using our 3 EVP guiding pillars) and conducted virtually.

The program also raises the awareness of being a member of Suntory, educating on Suntory's DNA such as its Founding Spirits and corporate culture, and provides a platform for executive conversations about how to apply it to leadership situations in their own business.

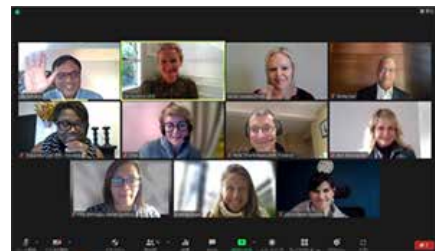
By providing the opportunity to network for participants, they can strengthen connections, share expertise and experience and identify seeds of synergy as well as gain a global management perspective at a Suntory Group level.

The President, Vice Presidents, and other top executives themselves are heavily involved in the program content and some also act as lecturers for the sessions.

The program includes guest speaker workshops and other activities that allow participants to learn about Suntory's culture in a well-structured way.

- To strengthen connections among senior leaders extending their professional network
- To enable sharing of knowledge and experience and to leverage the enterprise-wide mindset and perspective
- To be inspired with new ideas and approach toward leadership through listening to a diverse range of leaders' discussion.

The program is packed with content great for stimulating participants such as workshops held with guest speakers in addition to the large contributions made by top management in creating materials and as session lecturers on that day.



Ambassador Program

This program targets employees of overseas Group companies and aims to raise their understanding of Suntory and nurture unity as a member of the Group. Through dialogue with Suntory management, interaction with global Suntorians from around the world who are participating together, and an understanding of the Suntory Group's culture, Founding Spirits, and the differences and similarities among the various organizations within the Group, participants are ultimately expected to serve as "ambassadors" to spread Suntory's culture within their own organization.

In previous years, participants from overseas countries were invited to Japan for hands-on training to see various Suntory Gembas (field site).

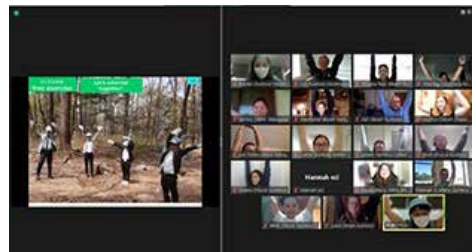
After a one-year postponement due to the pandemic, the training was conducted virtually for the first time in 2021.

Through these three months, the participants were able to build a strong network across organizations, functions, and countries, and feel connected to the greater Suntory Group.

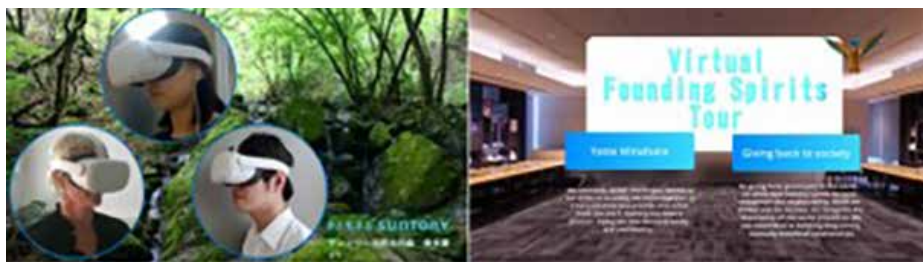
Since this year's program was held virtually, we also tried various digital measures, such as the "Founding Spirits" tour using virtual reality (VR) and e-learning in MySU. It has been held more than 20 times since 2012, and the total number of participants is around 600. We will continue to evolve the Ambassador Program further in the future to share the founding spirits that is the strength of the Suntory Group globally. We will forge ahead in creating a truly global ONE SUNTORY and look forward to hosting the 2022 program back in Tokyo.



Program was held 100% virtual



Virtual Mizu-iku



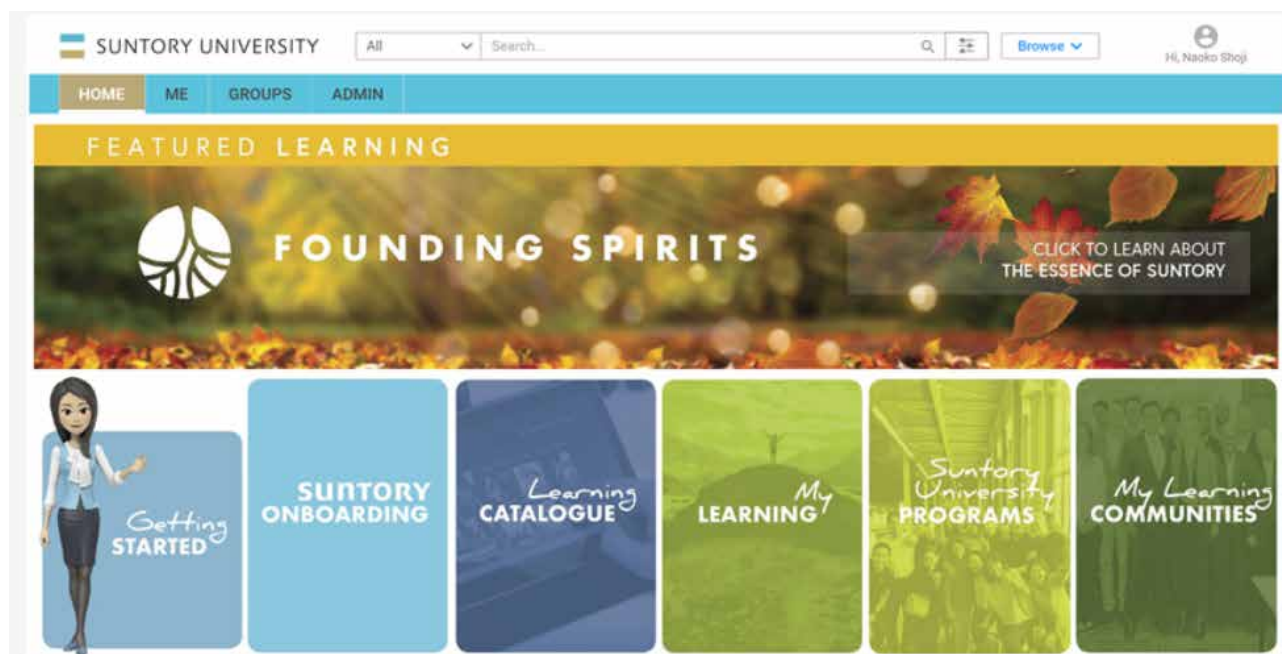
Founding Spirits tour using VR

2030 Capabilities

We provide an opportunity to develop the skills needed for the future such as the newly established Suntory Leadership Spirit (SLS), Digital Commerce Academy, Sustainability and DEI (Diversity, Equity and Inclusion)

Digital Learning Platform

Our Global Online Digital Learning Platform “MySU” (My Suntory University) expands the digital world of learning for all Suntorians across the globe.



This digital learning platform directly supports our vision at Suntory University - to encourage every Suntorian through learning and capability development to contribute towards Suntory Group's business growth. MySU gives Suntorians access to online learning courses, education materials, videos and development tools as well as information about the in-person Global Suntory University development conferences, seminars and experiences.

■Japan

Sharing and Practicing the Spirit of Culture and Founding

We have built in sessions to learn the founding spirits within various regional programs such as junior employee program and new manager induction program. In particular, newly appointed managers visit the Suntory Museum of Art and Suntory Hall. This gives an opportunity for participants to directly see and feel how Suntory's corporate philosophy has been carried out and also deepen the understanding of our value "Giving back to society" from management viewpoints. We also give our junior employees a chance to learn the Suntory Group values directly by having site visit to facilities such as Yamazaki Distillery, Domyoji Takadonoen - nursing facility founded by Suntory and the birthplace of the founder, Shinjiro Torii.



Suntory Hall site visit



Forest Development Activities

Foundation for Human Resource Development (Japan only): To continually support and nurture every Suntory Group employee

This field spearheads the skills of each and every employee and provides a place to open up avenues to one's career by recognizing themselves as the owner of their own careers. The program has been structured based on two axes; Growth as a Suntorian (stratified training from junior employee to manager) as well as Career Independence and Self Enlightenment (career support) for employees in Japan.

Stratified Training

Stratified training deepens education under various themes that include the desired skills and knowledge as well as management skills and leadership at each level of employment from junior employees to new appointed professionals, new managers, and newly appointed senior general managers. This department incorporates programs to foster the growth of each employee who supports the Suntory Group for junior employees to managers. In addition, basic training programs suitable for each stage of business are also conducted in each department from sales to production.

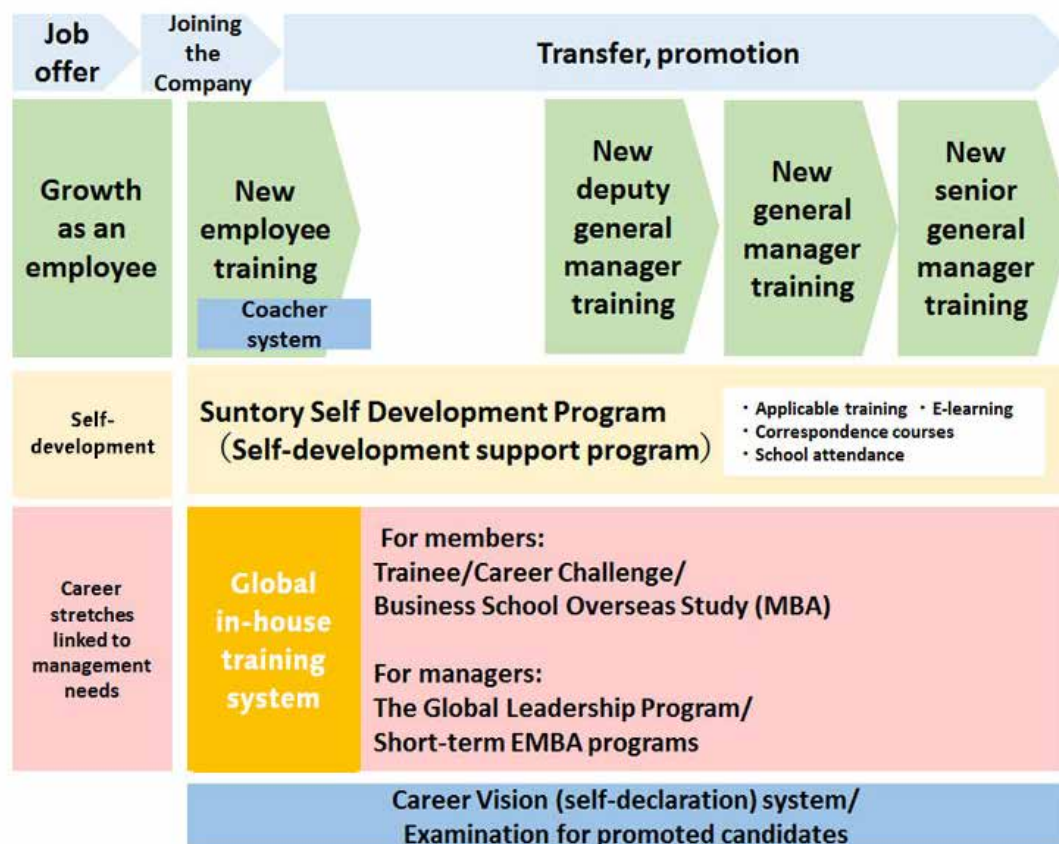


Supporting Career Planning and Development of Each Employee

The Suntory Group established the Career Support Section in 2007. This section supports the independent career development of each and every employee through efforts that include individual career consulting with expert advisors, follow-up interviews after a personnel transfer, workshops by generation and other follow-up interviews. All of our employees systematically take career workshops that support each generation under the concepts of enthusiasm in unique work styles and work enjoyment as the owner of their careers. Employees build avenues to consider their careers in their third year with the company, and then design their own career path in their tenth year to pursue into the future. We hold workshops at the age of 43, at the middle point of business person, with the aim of looking back on our careers and establishing our own personality. In addition, we will hold two application-type workshops, "38 to 47 years old" and "48 to 57 years old", to draw a career vision that is unique to you based on deep self-understanding in order to master your future career. For the purpose, we provide the opportunity to take classes anytime and as many times as you like. With the introduction of the 65-year-old retirement age, at the age of 58, we are supporting career development that will make future life more positive through work, with the theme of lifelong career enhancement that makes use of the power cultivated so far.

Development Concepts/Overall Training and Self Enlightenment Programs Framework

We have built an education system that responds to the specific skills and attributes that are required to support the growth of Suntorians.



Various Development Programs

In order for each employee to work and grow as a person, it is necessary for him or her to take responsibility for his or her own work life and continue to make positive, proactive efforts. Therefore, the Suntory Group has adopted the Suntory Self-Development Program (SDP) as a self-enlightenment support program. In particular, Group employees in Japan can take courses available for everyone as Elective Training to not only learn the course content but also take advantage of the program as an effective means to building a network between Group companies.

Furthermore, in recent years, we are enhancing our support in strengthening English skills as a way to respond to globalization. We have prepared a broad support system from small group lessons at the office to private lessons at schools, e-learning and distance learning for beginning level students as well as upper level students who use English in their daily work. In the future, we will continue to support employees who strive to move forward proactively. Also, Suntory University has expanded its e-learning programs since 2019 to give employees more opportunities to study anywhere, anytime.

Main self-development programs and the number of participants in FY2021

Type of training	Description	People
Elective training*	Elective training provides approximately 40 different types of courses (twice/year) with training designed to teach the necessary business skills to succeed in the career plans envisioned by our employees	1,243
Enhancing English ability*	This program provides various courses such as in-office English lessons and online lessons aimed to enhance business communications skills in English. A wide range of support content is available so that students can effectively take the course best suited for their skill level.	1,122
e-Learning	We offer programs from 5 external partners that you can take freely online. The programs cover a wide range of contents from business skill acquisition to private life-related matters. We support self learning anywhere during hiatus. This training program aims to heighten the ability to execute operations and gain the knowledge required for operational innovation. The courses include business skills, language acquisition, and computer skills.	1,350
Financial Support System for Attending School and Distance Learning	Suntory provides support for up to half the costs of schools and distance learning programs aimed at improving students skills (up to maximum limit). The courses that can be taken range from the skills necessary to execute operations (accounting, legal knowledge, etc.) to improving language skills and acquiring certifications	479

* These are elective programs that employees can participate on their own accord which the company will take on some of the training costs

Terakoya

We launched Terakoya, a peer-to-peer learning platform, to make Suntory the best company in the world for human resources development in 2017. The concept of this platform is "learning", "teaching each other" and "connecting".

The target of Terakoya is about 20,000 employees in Suntory group. They can join Terakoya for free, learn business skills or liberal arts, and become an instructor to share their own knowledge with others. In 2020, due to the COVID19 disaster, the event was completely online, and the number of users increased significantly.

[2021 results] Number of participants (total): 32,196 Number of annual events: 272 (177 events were sponsored by employees)



Other Development Programs in Japan

Name	Description	Number of participants 2021	2011 - 2021
Career Challenge Program	Individual tailored program for junior employees to enhance skills needed for global business (language, cultural awareness, cross-cultural communication, leadership, logical thinking, management through figures, etc.)	7	83
Company sponsored MBA	Sending talented high potential employees to overseas top business schools to study in global environment.	3	32
Trainee program	Trainees brush up their professional skills, gain language and communication skills, global business skills, and leadership skills through the one year on-site training at overseas companies.	6	99



Workshops in the Career Challenge Program



A trainee who has shown his presence at a meeting with overseas team members

Promotion of ONE SUNTORY

Training for New Graduates Across Group Companies in Japan

The Suntory Group has deepened its bonds by holding training together with multiple Group companies since 2014. The program includes courses about the mindset of professionals as well as basic business manners, with a hope to drive future synergy by fostering one Group mindset from the time employees join the company.

* Suntory Marketing & Commerce Ltd., MONTE BUSSAN K.K., Suntory Logistics Ltd., Suntory Chita Distillery, Suntory Foods Okinawa Ltd., SUN-AD Co., Ltd.



Company Presentations (presentations given by each company about their company) in 2019



Participants shown in a group photo taken at the end of the training session in 2019

Mid-level Breakthrough Training Together with Group Companies in Japan

We held Mid-level Breakthrough Training for Mid-level employees for the fifth time in 2021 with 42 employees from 10 companies participating online. We held sessions for employees to think about the future of their careers by revisiting their work from first entering the company up until present day as well as universal skills that includes identifying points for further growth in the future.



Manager Training Together with Group Companies in Japan

In 2021, the eighth Manager training was held with the participation of 28 employees who have less than three years of managerial experience. Those who are from 12 different companies have learned the standards of managers online. Over two days, lectures and role-playing with focus on developing people were held through company and individual presentation as well as by experienced managers.



Lecture for senior employees

■Award for Companies Providing Career Support

Suntory Holdings Ltd. was presented with Award for Companies Providing Career Support in 2013 held by the Ministry of Health, Labour and Welfare. The Award for Companies Providing Career Support actively supports the development of employees' careers and praises companies based on other criteria for the purpose of raising broad awareness and standardizing career development initiatives.

We believe this award highly evaluates our initiatives to actively support the career development of our employees to give each and every person at Suntory enthusiasm and motivation as well as bring the Yatte Minahare spirit to its full potential.



Presented with a commemorative plaque at the award ceremony

To Create Harmony with Employee: Diversity Management

Diversity, Equity and Inclusion

Our Commitment To Diversity, Equity and Inclusion

In line with our vision of Growing for Good, Suntory Group is committed to Diversity, Equity and Inclusion (DEI). Although at different stage of evolution, Suntory Group companies have taken steps to derive strength from diversity and enrich our workplace through inclusion. Not only do we commit to recognizing, valuing and respecting diversity and actively promoting and fostering inclusion, we will find ways to ensure equity as we listen to the voices and perspectives of our employees and take action.

In November 2021, we have established our first global DEI vision and strategic pillars. This is our ambition to build an environment where each and every Suntorian to unleash their spirit.



We bring people together as Suntorians.
We treat our uniqueness as strengths where everyone can feel pride for who they are by unleashing their spirit.
We embrace equity for all and seek to develop talents from diverse backgrounds at every level and region of our organization.



We educate, advocate and communicate from the top to foster an inclusive workplace to empower individuals to thrive at their best.
We cultivate a culture where everyone feels a sense of belonging and feels safe to bring their whole selves to work.



Growing for Good. Be the preferred brand in the markets we serve by fostering partnerships with our diverse customers, suppliers, and vendors that reflect our values and behaviors.
We support underrepresented communities and businesses for a sustainable future.

■ Vision Statement

We are all Suntorians, we are all unique.

We courageously embrace diversity and equity, and cultivate a culture of inclusion.

Let's be bold, be curious, and the best we can all be for our colleagues, customers and communities.

Yatte Minahare.

■ Strategic Pillars

DIVERSE WORKFORCE

We bring people together as Suntorians. We treat our uniqueness as strengths where everyone can feel pride for who they are by unleashing their spirit. We embrace equity for all and seek to develop talents from diverse backgrounds at every level and region of our organization.

INCLUSIVE WORKPLACE

We educate, advocate and communicate from the top to foster an inclusive workplace to empower individuals to thrive at their best. We cultivate a culture where everyone feels a sense of belonging and feels safe to bring their whole selves to work.

CUSTOMERS & COMMUNITIES

Growing for Good. Be the preferred brand in the markets we serve by fostering partnerships with our diverse customers, suppliers, and vendors that reflect our values and behaviors. We support underrepresented communities and businesses for a sustainable future.

Regardless of our individual uniqueness, we will work together, listen and learn from each other, and be bold at times to create a better future for everyone. We are proud to see the various steps that each business is already taking in their organizations, and will continue to grow as individuals and as an organization.

Below are some Japan's local initiatives around Diversity, Equity and Inclusion.

Further updates on global initiatives from different regions and businesses are coming soon.

[Overcome countries]

■ Global Employment

We actively recruit new graduates from universities around the world and experienced professionals who have worked with global colleagues and gained various experiences in order to discover and acquire talents who have both Japanese and international perspectives and can exercise leadership in the global group.

We will continue to promote efforts to further establish our recruitment brand, aiming to be the company of choice for talented people from around the world.

[Overcome gender]

■The Advancement of Female Employees

The Suntory Group is aiming to increase the ratio of female employees in managerial positions to 30% by 2030. We are conducting various initiatives in Japan by defining challenges such as the awareness and transformation of prudent actions according to the provision of deliberate career advancement opportunities and early return to a full work load for employees who are raising children to continually cultivate female managers.

Employees in their fourth year of employment participate in the so-called “The Fourth Year Training” where they are asked to reflect on their lives and careers and to think of how the work productivity can be improved. We support smooth return to work and full engagement of employees who return after maternity leave by providing safety net in the form of baby-sitter programme for those employees who are unable to use daycare facilities, or by bearing the costs of baby-sitting services when a child is sick or in case of other emergency. We organize seminars before and after the maternity leave so as to raise the awareness of employees regarding their duties and to facilitate their full and early return to standard working hours. In addition, simultaneously with the maternity leave follow-up seminars, we provide guidance to the employees’ supervisors to enhance the support from the managers to the returning employees.

As a result, we have received positive feedback that have mid- to long-term perspective such as, “My activities have been able to contribute to the entire department and I would like to act as a role model for other employees in the same situation.” Furthermore, managers support the advancement of female employees by demonstrating that they expect their future achievements.

In addition, we are conducting a Career Cafe for Female Leaders and Facilitation of External Seminars that target employees one step away from management because deliberate career advancement opportunities should be enhanced for both awareness and skills. This has become an opportunity to build further awareness about the challenges through means such as listening to the experience of managers who act as role models and the interaction with other participants both inside and outside of the company.

In addition, as a means of strengthening networking for all female managers and experienced employees, we will hold voluntary activities through the holding of women leader forums and the formation of a secretariat by volunteers, as well as expanding the circle of women leaders globally. We aim to accelerate the growth of the entire group in addition to the growth of the individual.

We are also actively promoting cooperation with external parties such as the New Generation of Women in Sales College to facilitate ongoing participation over the seven years since 2014.

Through these activities in Japan, the ratio of female employees in management positions has increased to 11.2% at the end of 2021. We are continuing to innovate working styles and change awareness to realize a company that is an easy place to work and allows our employees to succeed.

Beam Suntory also aims to increase the the ratio of female employees in management positions to 50% by 2030. By the end of 2021, the ratio of female employees in management positions has increased to 19% in the U.S. and 21% outside the U.S..



Group networking women's networking at Group Global

■Female employment data



■Number of male and female employees by Management or Non-management position



* December 31, 2021

* This is the total of Suntory Holdings Ltd. and Suntory Beverage & Food Ltd.

■Promoting LGBTQ Activities

The Suntory Group continues to engage in LGBTQ activities with the aim of becoming a company where every employee can be themselves and work enthusiastically. We have launched a project team in 2016 to strengthen our LGBTQ initiatives. In 2017, we furthered inclusion with efforts which included the revision of employment regulations to include same sex partners in the definition for spouse, the setup of a consultation office for LGBTQ employees, the creation of an LGBTQ handbook for LGBTQ employees and allies as well as e-learning for all employees.

These activities have been awarded the highest rank of Gold in the PRIDE INDEX*¹ advocated by work with Pride*², which evaluates initiatives for sexual minorities including LGBTQ in the policies of organizations such as corporations and association.



Awarded the gold with the highest rating in the LGBTQ initiative index "PRIDE index"

*¹ This organization supports the promotion and implementation of diversity management for LGBTQ and other sexual minorities. work with Pride aims to share information and provide opportunities for each company to actively engage in diversity promotion to help build workplaces where LGBTQ people can be themselves while working at Japanese companies.

*² This index is broken down into five categories: 1. Policy, 2. Representation, 3. Inspiration, 4. Development, and 5. Engagement/ Empowerment. This is the first index for LGBTQ in Japan established in 2016.

[Overcome handicap]

■ Employing Persons with Disabilities

The Suntory Group is working to expand the possibilities for persons with disabilities by employing them without considering job type. We actively engage in activities such as opening special contact point for candidates with disabilities, advertising announcements for new graduate and mid-career candidates, and cooperating with Hello Work. In addition, we have advanced job development at all group companies and started Group-wide employment guidance sessions in 2012. The rate of employment for persons with disabilities as of June 1, 2020 was 2.82% at Suntory Holdings Ltd. (employing 107 persons with disabilities with 43 persons with severe disabilities) and 2.66% at Suntory Beverage & Food Ltd. (employing 35 persons with disabilities with 15 persons with severe disabilities).

We have held an internship for students who are intellectually disabled since 2014 to further promote their empowerment and 27 people have entered the company over the last seven years up to April 2020. This team opened the “Collaborative Center” in the Odaiba office in April 2018. In April 2020, we expanded the office to the Osaka and Tamachi office, aiming to provide business support for the entire Suntory Group and practice diversity and inclusion.

In January 2021, we joined “The Valuable 500^{*3},” an international initiative that promotes the advancement of people with disabilities, and we will continue to further strengthen our efforts at all Group companies.

^{*3} The Valuable 500 is an initiative launched at the World Economic Forum Annual Meeting in Davos in January 2019 to encourage business leaders to initiate reforms that will enable people with disabilities to demonstrate their potential value to business, society, and the economy.



■ Number of employees with disabilities and employment rate (as of Friday, June 01, 2021)



* SHD: Suntory Holdings Ltd.

* SBF: Suntory Beverage & Food Ltd.



Group-wide Unified Guidance for the Hiring of Persons with Disabilities

■ Introduction of Disability Support Leave Policy

We introduced the Disability Support Leave Policy in 2013 based on our desire to create an energetic environment more able to empower persons with disabilities. Five days a year are given as special leave to people who have a disability certificate. This policy can be used regardless of whether an employee works on a full-time or a part-time basis. A handbook has also been created and distributed to support managers supervising persons with disabilities.

We are furthering the building of an easier-to-work environment while promoting the employment of persons with disabilities now and into the future.

[Overcome age]

■ Extension of Retirement to Age 65

The employment needs of individuals after retirement are estimated to grow in the future due to economic reasons after policy revisions such as an increase in the age people may start receiving national pensions as well as a growing desire to continue working. The technical ability and skill that people who have reached retirement age have accumulated are valuable assets from the perspective of the company.

The Suntory Group has introduced the Extension of Retirement to Age 65 policy in April 2013 to more widely utilize the experience and high-level skills which senior-level employees have accumulated over many years in addition to responding to the employment needs of employees over the age of 60. This new policy assists employees over the age of 60 to acquire one of three certifications (expert certification, member certification, support certification) that have been newly established according to the certifications and position the person has reached by the age of 60. In addition, we have introduced an assessment of results and prudent actions based on the target management policy even for individuals over the age of 60. The items for the assessment of prudent actions are operational contribution and next generation contribution. Moreover, we are periodically holding Life Plan Seminars that review life after retirement in addition to providing opportunities to think about a senior career at Career Workshops that are always taken by employees while they are in their 50s.

We will keep tapping into the knowledge of veteran employees who have accumulated the wealth of experience over the years, and provide them with all necessary support.

■ For each person's thinking innovation

Based on the importance of accepting and making use of something different from each other, we conduct training for managers to learn about management that utilizes diversity and how to deal with unconscious bias. We will continue to send information regularly to further accelerate diversity awareness activities.

Evaluation from External Parties

Suntory has been reviewed as follows by external parties as a result of these initiatives.

■ Diversity Management Selection 100

An initiative started in 2012 by the Ministry of Economy, Trade and Industry that evaluates and selects companies of various sizes from different industries for their initiatives in diversity management as management able to contribute to economic growth. Furthermore, it aims to promote the spread of diversity through the communication with selected companies as best practices.



■ 2018 J-win Diversity Award Honors Suntory with the Semi-Grand Prize for Advancement and Development of Women

The Diversity Award has been held by NPO J-Win since 2008. J-Win assesses the progress of diversity and inclusion promotion on an absolute scale at each company as well as a relative evaluation of progress to present awards for the purpose of accelerating diversity and inclusion promotion in Japanese companies by commemorating companies leading diversity and inclusion policy.

■ Suntory Receives the Highest Eruboshi Certification (Grade 3) for its Work as a "Company that Promotes the Empowerment of Women"

Eruboshi is a certification given by the Minister of Health, Labour and Welfare for the goal of promoting the empowerment of women at companies based on the Act on Promotion of Women's Participation and Advancement in the Workplace. Companies are evaluated based on the following five factors: 1. Level of female employment, 2. Level of continuation of employment by women, 3. Working style (work hours, etc.), 4. Ratio of female employees in management positions, and 5. Existence of diversified career paths.

* Acquired by Suntory Holdings Limited



■ Suntory Receives the Highest Kurumin Certification "Platinum Kurumin" for its Work as a "Company that Creates a Supportive Workplace for Employees with Children"

The Kurumin Mark is a certification given by the Minister of Health, Labour and Welfare to companies that promote the introduction and utilization of systems and implement high-standard initiatives all aimed at promoting efforts which support both work and child rearing based on the Act on Advancement of Measures to Support Raising Next-Generation Children.

* Acquired by Suntory Holdings Limited



To Create Harmony with Employees: Diversity Management

Promoting Work-Life Balance

We strive to foster work-life balance in employee-friendly workplaces where diverse employees can make full use of their capabilities.

Below are some initiatives around promoting Work-Life Balance in Japan.

Further updates on global initiatives from different regions and businesses are coming soon.

Policies to Reduce Excessive Working Hours

We have set a goal of total working hours of 1,899 hours or less (*) by curbing long working hours and promoting the acquisition of annual paid leave (in principle, all employees have 16 days or more).

* The above goal is an average of 39 hours per week (5 days), which is aligned with the ILO standard of 48 hours per week.

Ensuring Reasonable Working Hours

The Suntory Group works to eliminate excessive working hours and encourage employees to take annual paid leave through cooperation between labor and management, and thoroughly complies with all relevant labor laws, including the laws that govern working hours - through these measures we aim to create a workplace where employees are healthy and work with enthusiasm. We have also implemented a system that can track the number of computer use hours and other information. We support self-management of employees and provide guidance for improvement of working styles as necessary.

■ Total actual annual working hours



* Official working hours in the standard Suntory Group offices are 7.5 hours a day, 121 vacation days and the annual total official working hours is 1,830 hours.

* SHD: Suntory Holdings Ltd.

* SBF: Suntory Beverage & Food Ltd.

■ Annual paid vacations taken



* SHD: Suntory Holdings Ltd.

* SBF: Suntory Beverage & Food Ltd.

Work Style Innovation

The Suntory Group is taking steps to innovate work styles with the objective to generate high productivity, high-quality output, and new value creation as well as to allow diverse employees to work with enthusiasm.

In 2010, we have removed the restriction of time and place in order to achieve flexible working styles and in principle, removed core time in flextime working, expanded the scope and expanded the number of employees who qualify for "teleworking*" that allows use in 10 minute increments. In addition, we have introduced a discretionary working hours system in our Research & Technology Development Division as an effort to make working styles that are suitable for work. We are promoting work style innovation in each department in accordance with the particular types of work done by adopting flextime in our R&D departments. New work styles utilizing IT, such as the use of smartphones in sales divisions, are making steady inroads.

In addition, we formulated specific action plans in each department. Appointed work-style innovation promotion leaders and managers in every department are working with united as employees, superiors, and administration.

* Teleworking: Working at home or otherwise outside the office

■ Various Activities Facilitating Work Style Innovation

Measure	Description
Promoting of flexible work styles	<p>Promoting the use of flex-time and teleworking programs</p> <p>Roughly 80% employees used the teleworking program</p> <p>Received the Minister of Health, Labour and Welfare's Award for Enterprises that Promote Telework (Shiny Telework Prize) in 2015.</p> <p>The Nikkei Smart Work Award, which recognizes advanced companies that increase productivity through work style reforms and grow sustainably, won the grand prize in 2019 and 2020, and was inducted into the Hall of Fame in 2021.</p>
Promotion of operational efficiency	<p>Promotes the use of high-performance video conferences, teleconferences, tablets, smartphones, portable computers, and RPA</p> <p>Revises policies such as meeting rules and rules to create materials that use the Working Methods Handbook</p> <p>Continually revise operations from the perspective on-site in each department founded in the work-style innovation promotion leader program.</p>

Shares various information and opinions on the online Walk the Walk “Yatte Minahare” work-style innovation knowledge site

In 2017, the Suntory Group launched the Walk the Walk “Yatte Minahare” portal site online as a place to communicate and share knowledge related to the promotion of work-style innovation as a means to encourage this work-style innovation.



Work-style Innovation Knowledge Site

Support employees considering work-life balance

We have been working toward expanding our programs that help employees to maintain the balance between work and personal life while being responsive to individual circumstances through the creation of programs providing benefits that exceed what is legally required. We also recognize tackle decrease in number of children social as society in whole and the social responsibility of a company and provide support according to the status of the workplace and needs of the employees.

■ Supporting Work as well as Child and Nursing Care with Flexible Work Styles and Programs

The programs have become systems that allow employees to always work enthusiastically even when there are constraints on time and place by leveraging flexible working styles such as flex-time and telecommuting as well as the policies below.

Child Care Programs

We have expanded systems to support child birth and child rearing based on The Act for Partial Revision of the Act for Measures to Support the Development of the Next-Generation Children enacted in April 2005. We have implemented child care leave, shortened and staggered working hour programs which can be used during pregnancy and child rearing. Employees can vastly adjust their work style to meet children's active hours such as dropping off and picking up children at nursery schools.

As a result, we acquired the certification mark "Next Generation Development Support Enterprise" from the Ministry of Health, Labour and Welfare in 2008. We started a partially paid child care leave program (Welcome Baby Care Leave) with the purpose of promoting male employees to take child care leave in 2011. The rate of employees taking child care leave in 2021 was 100% for women and 58% for men. Each year the number of men taking child care leave is growing with 174 women and 134 men taking child care leave throughout the year.

Suntory group have taken steps to derive strength from diversity and enrich our workplace through inclusion. Now, we have set up "Paternity Leave" as one of the major pillars of our diversity management promotion. We will strengthen our activities with the goal of achieving this goal by 2024.

Nursing Care Programs

From April 2011, we have extended the period for systems regarding nursing care (nursing care leave, shortened and staggered working hours and flex-time programs), and clarified the requirements for nursing care leave, eased the requirements for shortened and staggered working hours and flex-time programs in September 2016 to expand the initiatives for nursing. In 2017, we created a nursing care handbook to inform employees about the subject, held nursing care seminars, and invited an outside instructor to speak about topics such as preparations before the start of nursing care.



Next generation development support
enterprise certification mark*

* Next generation development support enterprise certification mark "Kurumin":

A certification mark awarded by the Ministry of Health, Labour and Welfare to a company that provides environment to support workers that bring up children while working, and engages in other initiatives to support all employees, not limited to working parents.

■Enhancing Support During Child Rearing

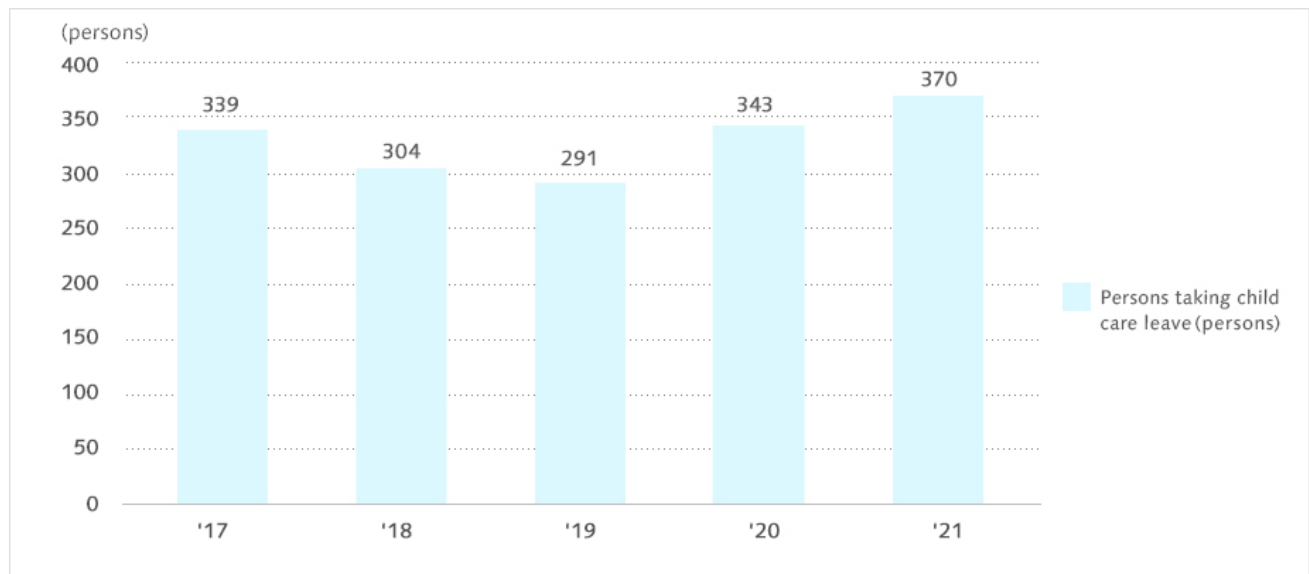
We have established systems to realize support before, during and after child birth such as supporting employees return to work by subsidizing the cost of corporate contract babysitters in 2012 and support in times of illness or emergencies to enhance the support for families during the period they are raising their children. We also support both work and nursing/child care through providing training to managers to raise their awareness and take innovative actions.

Based on suggestions raised by employees who participated in the Child Rearing Project, we have implemented the following measures before taking leave and after returning to work.

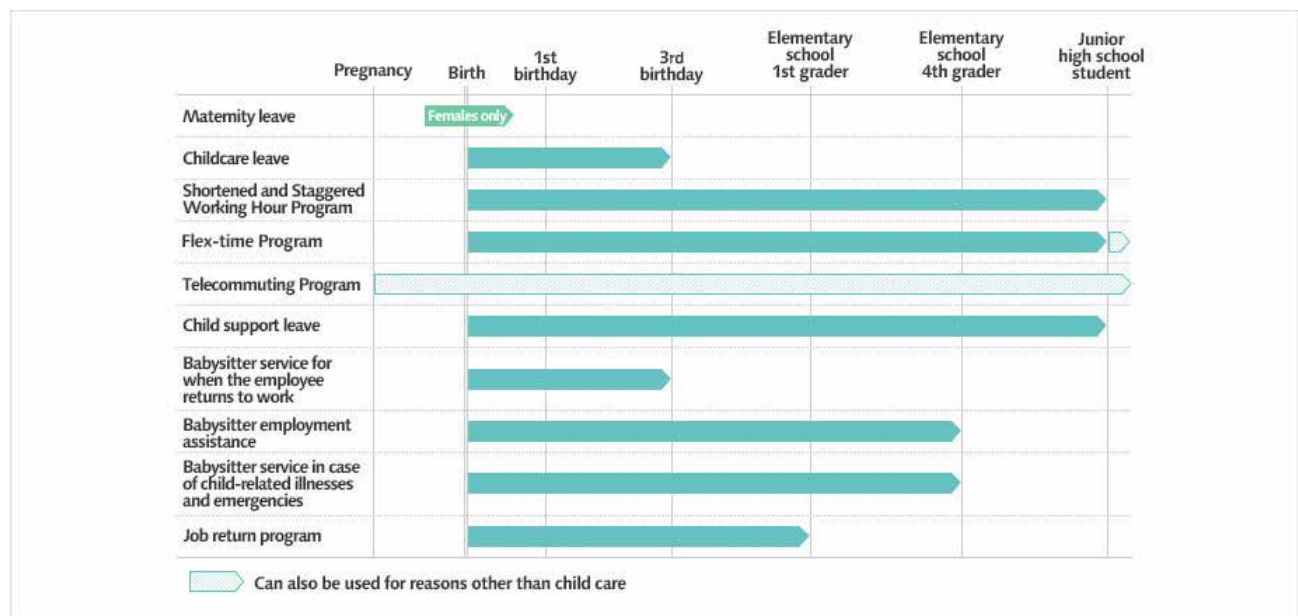
- Before maternity leave: Explanation of the system, providing guidance before maternity leave for all applicants for the main purpose of providing information for a smooth return to work (Men and women who are interested / partners can also participate this guidance)
- During maternity leave: An online newsletter is issued once a month to introduce timely corporate information, relevant examples of employees who have returned to work and other information helpful in returning to work
- Returning to work : The company provides subsidies for a defined period of time for babysitters when entry into daycare facilities is difficult
- After returning to work: Introduction of follow-up seminars after babysitter programs and child care leave during illness and emergencies for the purpose of supporting both after employees return to work while facilitating an early return to a standard workload

These initiatives have been praised overall to earn the Grand Prix in the 2016 ranking of companies with a great balance between work and raising children conducted by Nikkei Dual.

Results of Employees Taking Child Care Leave



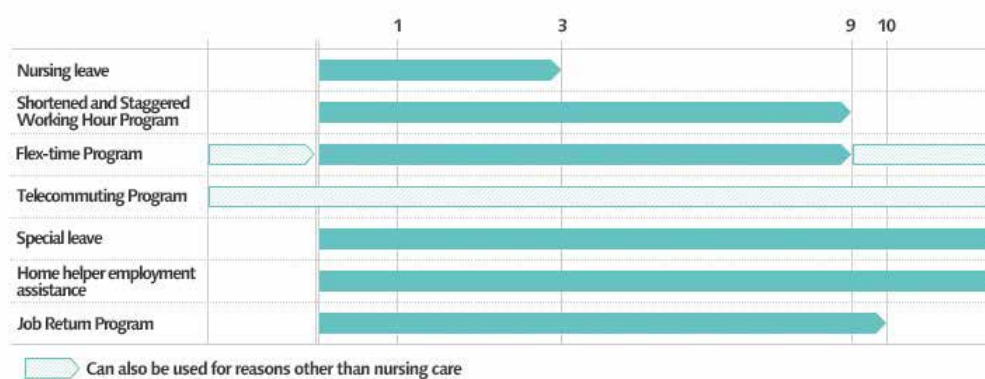
Overview of policies to support child care (Revised April 2012)



Overview of policies to support child and nursing care

Item		Description
Childcare	Maternity leave	As a general rule, six weeks before child birth and eight weeks after child birth
	Childcare leave	As a general rule, can be taken until child reaches three years of age
	Welcome Baby Care	Paid leave for five consecutive days from the day of the start of child care leave (From child birth to reaching a year and half years old)
	Shortened and Staggered Working Hour Program	Until the child enters junior high school Shortened working hours are a maximum of two hours per day and staggered working hours can be set within a set range
	Flex-time Program	Reasons or age of the child are not specified
	Telecommuting Program	Working at home or otherwise outside the office Reasons or age of the child are not specified
	Child support leave	Special leave for any reason related to child rearing (paid leave) Five days per year for every child before entering junior high school. Ten days per year if there are more than two child
	Babysitting service to support employees return to work	If entering nursing schools or a similar facility is difficult, corporate contract babysitters are introduced and its fees are subsidized for a maximum of seven months until the child is able to enter a nursery school, etc.
	Babysitting services for times of child illness or emergency	The company pays for initial and annual membership fee for corporate contract babysitters to make the service more usable during child illness, sudden overtime or business trip and other emergencies. Can be used until the child reaches fourth grade elementary school student.
	Subsidies to use for babysitters	In-house babysitting for infants and drop off and pick up of young elementary school children and children in nursery schools, etc. Amount of the subsidy is 1,700 yen per day
	Infertility treatment support	For specified ART treatment, a leave of up to one year can be taken and monetary support for treatment of up to 300,000 yen is available
	Job Return Program	Those that worked for three or more years and registered are candidates for reemployment Until the child being raised (not limited to the child that was the reason for resignation) enters elementary school (maximum of ten years)
Nursing	Nursing leave	The maximum of three years can be exceeded if the total is within 93 days Benefits are of ¥50,000 per month
	Shortened and Staggered Working Hour Program	Shortened working hours are a maximum of two hours per day and staggered working hours can be set within a set range
	Flex-time Program	No reason is required or restriction on the period of time set
	Telecommuting Program	Working at home or otherwise outside the office No reason is required or restriction on the period of time set
	Special leave	Leave to accompany someone to the hospital, etc. (paid leave) Five days per year for one family member or ten days a year for more than two family members are given for the nursing care obligations
	Home helper employment assistance	Subsidize 70% of the fee for one person per day (maximum of ¥15,000) and maximum of 50 days per year.
	Job Return Program	Those that worked for three or more years and conducted the registration process are candidates for reemployment A maximum length of ten years is provided to resolve nursing care requirements
Vacation	Refresh leave system	Special leave and premium are provided for employees that have worked for 10, 15, 20, 25, 30, 35, 40 and 45 years

Overview of policies to support nursing care



Change in the number of employees that took advantage of child or nursing care policies

(employees)

			2017	2018	2019	2020	2021
Child and nursing care	Childcare leave		339	304	291	304	370
	Shortened and staggered working hour for child care	Male	56	133	111	122	163
		Female	54	171	180	182	207
	Newly taking childcare leave		229	75	74	67	101
	Number of employees returning after childcare leave	Male	155	117	114	127	124
		Female	70	75	75	79	80
	Number of employees that resigned during childcare leave	Male	0	0	0	0	0
		Female	3	0	0	0	4
	Ratio of employees returning after childcare leave	Male	100.0%	100.0%	100.0%	100.0%	100.0%
		Female	95.9%	100.0%	100.0%	100.0%	95.2%
	Number of employees remaining at end of the year after taking childcare leave previous year	Male	102	152	135	122	129
		Female	196	169	165	176	173
	Number of employees returning from child care leave	Male	100%	97.44%	100.0%	100.0%	87.2%
		Female	98.5%	92.35%	96.5%	98.0%	88.7%
	Telecommuting program		4,845	5,176	5,674	6,696	6,921
	Shortened and staggered working hour for child care		216	217	178	122	93
	Child support leave		583	599	650	555	537
	Babysitting Service		29	34	44	37	50
	Shortened and staggered working hour for nursing care		0	0	2	0	1
	Nursing leave		2	3	2	1	2
	Home helper		2	1	4	3	4
Vacation	Refresh leave		801	824	886	485	694

■Supporting Employees Return to Work after Child or Nursing Care Leave

The Suntory Group mandates interviews with direct supervisors before employees take leave or after employees return to work as one part of its support of employees returning to work. A system has also been built to allow internal information to be confirmed at any time by browsing the intranet from a household computer while the employee is on leave. Moreover, measures have been put in place to reduce concerns of employees returning to work that includes sending out information with know-how they can use after returning to work as an email magazine each month for employees taking child care leave.

■Re-employing Employees Who Have Resigned Due to Child Care and Nursing Care

The Suntory Group has introduced the Job Return Program that re-employs employees that have resigned due to pregnancy, child care, nursing care, or a spouse's appointment overseas who wish to return to the workplace. The terms are determined after a defined trial period based on the certifications and salary at the time the employee resigned. 63 employees have registered for the program between when the program was introduced in 2007 and 2020 with ten employees returning to the workplace up to the end of 2020.

Period of Absence for the Job Return Program

Reason for resignation	Period of absence
Pregnancy, child birth, or child care	Until the child being raised reaches elementary school with a maximum of up to ten years
Nursing	Until the nursing care requirements are resolved with a maximum of up to ten years
Overseas appointment of spouse	Until the spouse returns from their appointment overseas with a maximum of up to ten years

To Create Harmony with Employees: Diversity Management

Labor/Management Relations

Labor and Management cooperate to create a comfortable working environment.

Creating Employee-Friendly Workplaces

The Suntory Group respects and advocates freedom of association and the rights to collective bargaining in accordance with the laws and regulations in each country. We also recognize the importance and support freedom of association and right to collective bargaining even in countries and regions that do not recognize them by law, and promote the resolution of challenges through the cooperation of labor and management. We have various councils that meet regularly to enable labor and management to study and discuss key management challenges we face. These include the Business Conditions Conference, the Finance Reporting Council, and division and topic specific councils. These councils hear statements from the labor union about shop floor conditions and both parties debate Suntory Group's management policies.

We operate and revise our programs involving human resources and labor based on thorough consultations rooted in mutual awareness of the issues. Through these relationships between labor and management we are enhancing subjectivity and transparency of company management while increasing effectiveness of various initiatives. Suntory Group's labor union implement unionship system*.

* Unionship system: A system in which all employees are required to be a member

* 56% of employees subject to collective bargaining.

■ Promotion of Cooperation with Workers Union Through Conferences

We are holding periodic conferences where we determine themes for vital issues common with Workers Union. We have held 21 conferences throughout the year of 2021.



Management Status Conference

Main Labor-management Conferences

Name	Frequency	Description
Management status conference	Twice a year	Conference about matters such as company management policies, management status, and business execution status
Quarterly settlement conferences	Four times a year	Sharing information about Group consolidated performance
Departmental conferences	Twice a year (each department)	Conference about issues related to departments such as R&D, production, and sales.
Work-style innovation committee	Three times a year	Conference about status confirmation and improvements of issues during working hours

■ Introduction of Recreation Plans in Cooperation with Workers

We are operating recreation plans with the cooperation of workers for the purpose of cultivating unity as the Suntory Group. The soft volleyball competition that started in 2009 has also grown to have participation from Group companies. At the 11th competition held in 2019, roughly 4,600 employees participated alongside their families. In 2022, the event was held in various locations in Japan, with over 10,000 participants. (*In 2020, 2021, the event was postponed due to the influence of COVID-19.)



To Create Harmony with Employee: Diversity Management

Occupational Health and Safety

We promote occupational health and safety based on the belief that a workplace where employees can work with peace of mind is connected to the vibrancy of the company.

Commitment to Workplace Safety

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. There were 8 occupational accidents in 2021. Lost time injury/illness frequency rate*¹ was 0.07 (benchmark rate in soft drink and alcohol manufacturing: 1.08*³) while Lost time injury/illness severity rate*² was 0.000 (benchmark rate in soft drink and alcohol manufacturing: 0.01*³). We promptly share information and continually improve the level of our efforts by regularly offering venues for the labor union and the Senior General Manager in charge of occupational health and safety to exchange occupational health and safety information. 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.

*1 Frequency rate: (number of deaths and injuries due to occupational accidents) ÷ (total number of work hours) × 1,000,000

*2 Severity rate: (number of days employees cannot work) ÷ (total number of work hours) × 1,000

*3 Survey on Industrial Accidents by Ministry of Health, Labor and Welfare

■ Number of workplace accidents

(accidents)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Number of occupational accidents (including paid leave and substitute leave)	3	2	3	4	0	6	1	3	0	3	1
Number of occupational accidents not accompanied by lost work time	10	8	12	13	8	18	12	21	14	13	7
Number of accidents resulting fatality			0	0	0	0	0	0	0	0	0
Total	13	10	15	17	8	24	13	24	14	16	8
Lost time injury/illness frequency rate	0.30	0.20	0.17	0.34	0.00	0.47	0.08	0.23	0.00	0.20	0.07★
Lost time injury/illness severity rate	0.005	0.009	0.002	0.004	0.000	0.003	0.000	0.001	0.000	0.010	0.000

* Figures through 2012 are only for Suntory Holdings Ltd. and Suntory Beverage & Food Ltd. The figures from 2014 onward include data on workplace accidents involving full-time employees, special contract employees, and part-time employees for the following Suntory Group companies in Japan: Suntory Holdings Ltd., Suntory Beverage & Food Group companies (Suntory Beverage & Food Ltd., Suntory Foods Ltd., Suntory Beverage Solution Ltd., Suntory Products Ltd.), Suntory Spirits Ltd., Suntory Wellness Ltd., Suntory MONOZUKURI Expert Ltd., Suntory Business Systems Ltd., Suntory Communications Ltd., and Suntory Global Innovation Center Ltd. Since 2020, Suntory System Technology Limited has been added.

* Results have received independent assurance from KPMG AZSA Sustainability Co., Ltd. The assured value is indicated with ★.

■ Achieving Zero Workplace Accidents in Manufacturing

We are working in activities to reach zero workplace accidents as our highest priority based on the belief of prioritizing the health and safety of all people in accordance with the Suntory Group Basic Policy on Safety in Production and Research formulated in February 2010 at the production and research divisions of the Suntory Group. Suntory engages in risk assessment for occupational health and safety by sufficiently reviewing business plans and operational procedures to prevent occupational accidents before they happen in existing and new businesses. We are deepening our activities as a unified Group toward zero workplace accidents while linking all of our partner companies by ceaselessly advancing low-key efforts that improve the safety awareness of each and every person on the ground as well as continue operational-oriented risk reduction efforts in the future.

■ Building of a Crisis Management System Overseas

The Suntory Group has formulated a crisis management manual to secure the safety of employees dispatched overseas and their families in preparation for state of emergency overseas. We have created a pocket manual for the employees dispatched overseas to carry on their person while establishing reporting routes and countermeasure systems.



■ Occupational Health and Safety Education

The Suntory Group strives to raise awareness and prevent occupational accidents before they happen by holding regular occupational health and safety education courses. A total of 242 people took part in these education courses in 2015, with a total of 302 people in 2016, a total of 610 in 2017, a total of 722 in 2018, a total of 731 in 2019, a total of 717 in 2021.

To Create Harmony with Employee: Diversity Management

Suntory Group's Health Management



Suntory Holdings Limited
Vice President, Member of the Board, Director
Global Chief Health Officer (GCHO)
Director, Suntory Health Insurance Society
Shinichiro Hizuka

The Health of Each and Every Suntorian Serves as the Source of the *Yatte Minahare* Spirit

What we are aiming for in health management is enriched, fulfilling lives for everyone, including employees and their families. At the core of our health management approach, we want our employees and their families to be able to lead healthy, energetic lives and to work with a sense of challenge to make their lives fulfilling. We are convinced that the promotion of health management based on this concept will lead to further challenges for the Group and is linked with its future.

Suntory is working extensively to improve health checkups and prevent lifestyle-related diseases which can lead to various illnesses as one of its priority areas, and is developing various measures.

Suntory is also working to improve daily support by building a system that allows employees to consult with occupational physicians and nurses, and expanding new consultation services.

With mental and physical health as the foundation, we aim to achieve a state of well-being where employees can mutually enhance their work and private lives in conjunction with work style reform.

Suntory's Aim for Health Management

In 2014, we issued the "Health Promotion Declaration". Later in 2016, after management appointed a Global Chief Health Officer (GCHO), the new "Health Management Declaration" was set forth.

■ Health Management Declaration (Established in 2016)

Based on the idea that the health of our employees and their families is the source of Suntory's challenge and innovation, we aim to have all employees work in a healthy and motivated state, both physically and mentally.

Basic Policy

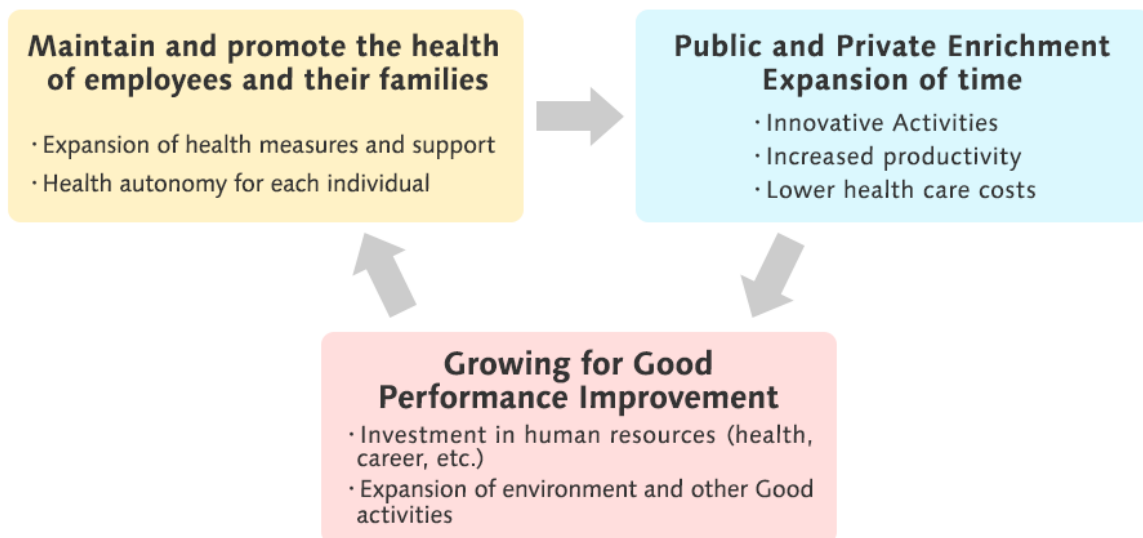
- We will promote the creation of a foundation for employee health by improving the workplace environment and through work style reform.
- We will work to improve health literacy by providing health information and individual support to employees.
- We will work to improve lifestyle habits and promote 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.



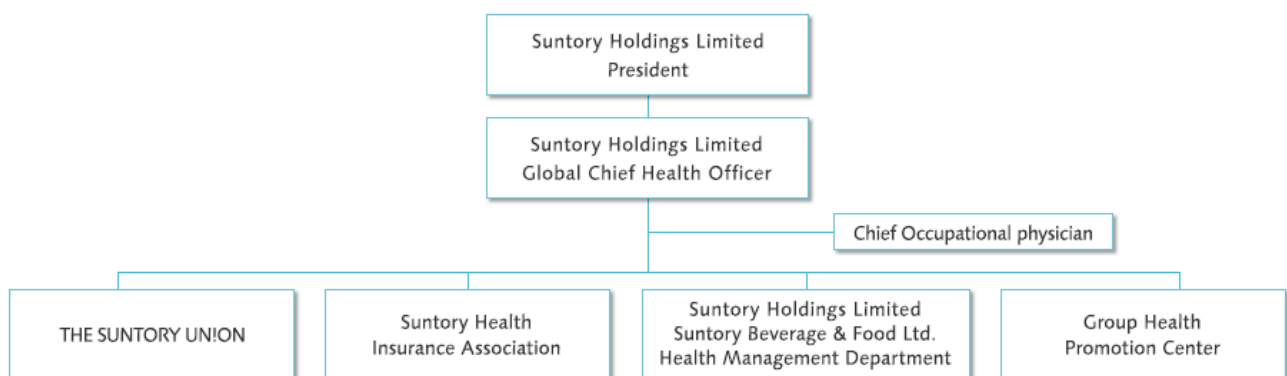
Significance of Health Management

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.



Health Promotion System



Health Consultation Support System

Suntory has introduced a nurse in charge system where nurses are assigned to all business locations to support all employees. The nurse in charge acts as a contact point for employee consultations, while industrial physicians, psychiatrist, clinical psychotherapists, and others work together to provide consultation services and support to allow employees to work while maintaining good health.

In addition to our in-house occupational health staff, we have also set up external consultation services such as the E-Partner Consultation Service, which provides consultation on private family issues, and First Call, an online service that provides medical consultations 24 hours a day, 365 days a year.



Internal Consultation Services	With Nurse	Provides support as a person deeply familiar with each employee through daily contact, including health interviews.
	With Occupational Physician	With the supervising occupational physician taking a central role, occupational physicians provide post-treatment measures for regular health checkups, guidance for various interviews, and support for balancing treatment and work.
	With Psychiatrist	Psychiatrists who are familiar with mental health issues in the workplace work together with occupational physicians and nurses to support employees.
	With Clinical Psychotherapist	Counseling based on psychological knowledge is provided to care for employees who are troubled to help them resolve their problems.
External Consultation Services	EAP	An external consultation service that allows employees to consult with an external counselor about a variety of issues, including personal and family problems.
	Online chat-based consultation service	An online service that allows employees to consult with a doctor via chat or video phone 24 hours a day, 365 days a year.

* 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.

2025 Mid-term Goals

	FY2021 Results	FY2030 Target
Percentage of people with exercise habits※ 1	28.6%	80%
Percentage of regular eating habits (breakfast intake, early dinner)	50.2%	80%
Percentage of people who can rest on their sleep	81.2%	90%
Percentage of non-smokers	82.7%	95%
Percentage of people who practice DrinkSmart※ 2	64.7%	90%
Result of stress checks Ratio of low-stress	93.0%	95.0%
Presenteeism※ 3	79.2%	90%

*1 At least one day off per week

*2 Those that answered "Already working on it" for a question "Do you plan to improve your lifestyle habit such as exercising and daily diet?".

3 Work productivity when 100% in the absence of illness or injury 4-week average

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

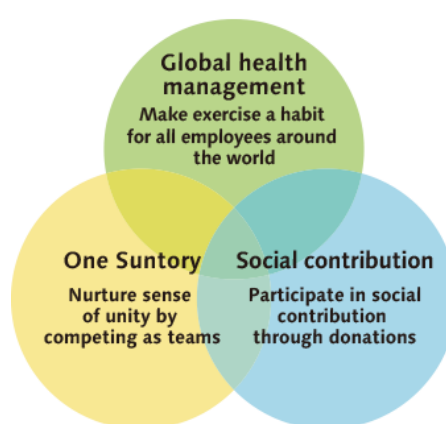
Point	Measure	Content
Self-care	Early detection and prevention through self-check	Self-check during regular check up
		Mental self-check (required for all employees once a year) and follow up for those that need attention
Line care	Raising awareness through lecture on basic knowledge about mental health	<ul style="list-style-type: none"> • Provide information through Mental Health Hand book that summarize basic knowledge • Implement mental health e-learning • Self-care lectures during group training • Line care lecture during new manger training • Regularly stream mini-seminars by in-house counselors
Care by health staff in the office	Implementing support when returning to work	Implementing a system to support returning to work with doctor specializing in mental health
	Establishing in-house consultation	Consultation by doctor specializing in mental health
		Consultation by in-house career counselor
Care by resources outside the office	Establishing external consultation	Telephone consultation and interview by external specialized agency

Content of the Policy

One Suntory Walk is a program aimed to raise awareness of health among the participants and make exercise a habit through competing the number of steps they take within a month. The program has been held every year since 2017 targeting all Suntory employees, totaling approximately 40,000. This event is considered to be an event that unite Suntory globally and help promote health management. Engaging in sustainability of water, source of Suntory Group's business activities, at a global scale is put forth as message and core aspect of the event to raise awareness among the employees.



Three Core Aspects of the Event



2021 activity results

One of the participants commented that awareness toward number of steps taken raise during October along with the will to increase them. In addition, walking rallies are held independently at each office at the same time, proving that the exercise is becoming a habit through events. We will continue to hold this event every year with "October is One Suntory Walk month" as the slogan.

- Number of participants: **7,014**
- Steps taken and distances traveled: **10.32 billion steps (786,607km)**
- Participating countries: **34**
- Total donations: **70,140 USD (7,715,400 JPY)**

10USD was donated per participant to MSF Covid-19 Crisis Fund of the Medecins sans Frontieres



Photo posted on the bulletin board by a participant

To Create Harmony with Employees: Diversity Management

Group global People and Culture initiatives

Suntory Group has been driving great change in People and Culture activities in recent years as the global expansion of its businesses. We are engaged in a wide variety of initiatives at a global level for the purpose of business growth and employee growth as a means to realize Growing for Good.

■Employee Value Proposition - Unleash Your Spirit



We launched our new Suntory global talent brand, “Unleash Your Spirit” as Employee Value Proposition. Unleash Your Spirit captures the essence of our founding spirit and collective ambition to inspire the brilliance of life. Through this talent brand, we define what makes us unique, why our people love to be part of Suntory, and the impact our people can make as we focus on Growing for Good.

We want to help people understand how we are all connected and how our culture and values unite us. Our ambition is to retain and build the career opportunities of people we already have in our family and inspire the best external talent from around the world to join us. As we support Suntorians everywhere to “Unleash Your Spirit” we hope this will help accelerate our ability to make the change we want to see, and we are thrilled to craft our future together with each of you.

You can see our new global career site from here with Suntorians’ stories across our social platforms.

■Diversity, Equity and Inclusion (DEI)

We created the Group Diversity Vision with the launch of a cross-Group project team in 2016 under our view of diversity promotion as a management challenge. Furthermore, we work to promote the active participation of women at Suntory Holdings as an effort to drive the progress of diversity at each company. Since 2018, we conduct lectures for women managers by inviting women executives from Beam Suntory to Japan from America.

- Build networks of women leaders in the Suntory Group
- Learn recent challenges and initiatives of gender diversity directly in business
- Consider development of future female leaders in the Suntory Group

There was active debate about gender diversity through sessions with top management, lectures with guest speakers and group discussions. A variety of activities in the future will accelerate the promotion of diversity globally throughout the Group.

In line with our vision of Growing for Good, Suntory Group is committed to Diversity, Equity and Inclusion (DEI). Although at different stage of evolution, Suntory Group companies have taken steps to derive strength from diversity and enrich our workplace through inclusion. Not only do we commit to recognizing, valuing and respecting diversity and actively promoting and fostering inclusion, we will find ways to ensure equity as we listen to the voices and perspectives of our employees and take action.

In November 2021, we have established our first global DEI vision and strategic pillars. This is our ambition to build an environment where each and every Suntorian to unleash their spirit.

Regardless of our individual uniqueness, we will work together, listen and learn from each other, and be bold at times to create a better future for everyone. We are proud to see the various steps that each business is already taking in their organizations, and will continue to grow as individuals and as an organization.

■Group Talent Review

Suntory has been leading Group wide talent reviews to identify, develop and leverage our people who are able to actively participate in the Group worldwide. The Group talent reviews have been evolved and held not only by group businesses but also by functions and regions across businesses with commitment from top managements at major Group companies, identifying the key talents and positions throughout the Group, including formulating plans for successors in those vital positions, and assessing the person-to-person exchanges across countries and businesses. We are striving to expand the content of these reviews.

■Group global talent framework

We are cultivating the foundation for Suntory Group's talent to play more active roles across countries and businesses. Through these efforts, we are working on group global talent management. For example, we have established unique behavior model for all Suntorians around the world so that they can think and act toward the vision and future targets. We use this behavior model as one of the basis for leveraging our people group-globally. We aim to deliver more excitement and joy to the world through letting all Suntorians demonstrate Suntory's uniqueness.

■Talent rotations across businesses

Supported by group talent review and group global talent framework, We have actively led Talent rotations across businesses with the aim to develop our people and make synergies group-globally such department as finance, people & culture, R&D, SCM, and so on. In the future, we will more actively take initiatives for talent rotations as one of key activities.

■Health management

Suntory group has led an activity called "One Suntory Walk" to promote walking among group-globally since 2017 as one of core activities for healthcare of Suntorians with the sense of unity.

One Suntory Walk not only aims to raise the health awareness of our people and support their health but also to contribute to society through leading initiatives around "water" from sustainability perspective which would be one of competitive advantages of Suntory. For example, we donates to environmental organizations around the world according to the number of steps taken by participants to One Suntory Walk. This event contribute to developing the sense of unity through team competition and social networking to create a sense of unity.

We will continue to promote the importance of health group-globally based on the belief that the physical and mental health of Suntorians and their families is the source of challenge and innovation.