

Group Company's Sustainability

Right from its founding in 1899, Suntory has worked to expand its business. Operating today as the Suntory Group, the company is active across a broad range of fields that include not only the alcoholic beverage, non-alcoholic beverage, and food businesses, but also health foods, restaurants, and flowers.

The company has further been expanding its operations across the world, conducting business in Asia, Oceania, Europe, and the Americas.

This site introduces various activities of the Group companies.

Activities of Group Companies in Japan



Activities of Overseas Group Companies



Activities of Group Companies in Japan

SUNTORY SUNTORY BEVERAGE & FOOD

Suntory Beverage & Food Limited

Non-alcoholic beverage and Food business



Häagen-Dazs Japan, Inc.

Production and sales of Häagen-Dazs



DYNAC HOLDINGS CORPORATION

Management of restaurants with multiple business formats, such as Hibiki, Uomori, Toridori, Papa Milano, etc., and party catering business



Pronto Corporation

Management and franchise development of "PRONTO", which is often used both as cafe and as a bar



Izutsu Maisen Co., Ltd.

Restaurant business, direct sales at department stores and commercial facilities, delivery business, wholesale business, mail order business, overseas business



Suntory Flowers Ltd.

Development, production and sales of flower seedlings, potted flowers, vegetable seedlings, fruits & vegetables,



Suntory Marketing & Commerce Ltd.

- Sales of liquor-related equipment (for liquor retailers and food & drink establishments)
- Sales promotion support and representation for Suntory operating companies (promotional campaign planning, prize merchandise proposals, shipping, and office operation)
- Sales of beer, wine, whiskey, etc.



Suntory Publicity Service Ltd.

Public relations and marketing support services for Suntory Group companies, services such as corporate PR, facilities and commercial facilities information, management and servicing of cultural facilities such as concert halls and museums, event planning and operation, call center operation, training and consulting, temporary staffing services, etc.

Häagen-Dazs Japan, Inc.

Head Office 2-1-1 Kamimeguro, Meguro-ku, Tokyo 153-0051

Established August 1984

Capital ¥460 million

Sales ¥52.8 billion (FY2021)

Employees 265 (April 2022)

Business activities Production and sales of Häagen-Dazs

Website www.haagen-dazs.co.jp



Company Overview and Philosophy

■ “Dedicated to Perfection.”

Since our establishment in August 1984, Häagen-Dazs Japan Co., Ltd. has been committed to our mission “to continue to delight and inspire customers by providing frozen desserts that exceed their expectations.”

The philosophy that underlies these actions is expressed in the corporate philosophy “Dedicated to Perfection.” From product development to delivery to the customer, we will fulfill our mission by adopting the customer's perspective as we strive for perfection in all corporate activities, not least of which are quality and brand.

Primary CSR Activities

■ CSR Management Promotion

Comprehensively raising CSR awareness

We have established a corporate code of ethics, which serves as the basis upon which we advance CSR activities. In addition, we continually raise CSR awareness by providing information via means including the company intranet.

■ Quality Management

Certified for food product safety and quality control

In 1998, the Häagen-Dazs Gunma Plant acquired approval from the Ministry of Health, Labour and Welfare for “Production or Processing of Foods by Comprehensive Sanitation Control Production Process” (ministry's Hazard Analysis and Critical Control Point [HACCP] program). In May 2013, approval was acquired under the FSSC22000 international food safety management system. By thoroughly managing our products in accordance with FSSC22000, we further strengthen food safety across all processes from raw ingredient procurement to production and distribution.



The Gunma Plant

Implementing employee training on quality

A quality handbook is distributed to employees to ensure that all can perform their daily work with a correct understanding of quality. The booklet provides a comprehensive overview of the quality initiatives undertaken by Häagen-Dazs. We also provide in-house training as part of our efforts to ensure that every single employee fully understands the importance of quality control.

■ Relations with Customers

Strengthening communication with customers

We greatly value communication with our customers, and reflect their opinions in our business activities. In 2010, we established our Basic Policy on Customer Satisfaction, and all of our employees act in keeping with it.

Basic Policy on Consumer Satisfaction

We strive to realize, maintain and improve consumer satisfaction in every way through various activities to fulfill our responsibility as a member of society. We value communication with consumers, and provide safe and reliable products and services that bring joy to consumers, gaining their trust, while providing information and reflecting consumer feedback in our business activities.

Action Guidelines for the Customer Service Center

1. We will respond to customer inquiries and complaints promptly, accurately and conscientiously, while striving to be fair and just.
2. We will provide customers with a diverse range of information that they can trust and be pleased with.
3. We will see to it that the opinions and requests of our customers, as well as the requirements of society, are reflected within the company.
4. We will comply with laws and our own standards to protect the rights of the consumer.

In addition, Häagen-Dazs Japan has formulated a set of Customer Response Rules in keeping with ISO10002, which provide a code of conduct for the above basic policy and action guidelines. Through these rules, we recognize the right of customers to make inquiries and lodge complaints. The rules clarify the initiative and responsibility we undertake in responding to customers with the objective of maintaining and improving their satisfaction through our corporate activities. We will also formulate and thoroughly familiarize employees with standards and procedures based on these rules.

Information on customer inquiries is entered into our internal information system as soon as we receive the contact. We respond to inquiries in cooperation with the department in charge and record the results. Utilizing this system not only enables us to respond quickly and accurately to customer feedback, but also to share valuable information from customers in real time throughout the company, leading to quality improvement, product development, and enhanced risk management.

We actively utilize our website and the “Secrets of Taste” booklet to provide our customers with useful information. At our website, for example, we provide information on how to enjoy ice cream, such as what to look for when purchasing it and how to store it at home.

■ Environmental Efforts

Certified under the international environmental standard ISO14001

In 2001, the Häagen-Dazs Gunma Plant acquired certification under the international environmental standard ISO14001. We have set goals for reducing water and electricity consumption for more environmentally friendly product manufacturing. We are also working to make more effective use of resources by recycling raw ingredients left over from the manufacturing process into animal feed and other products.

■ Initiatives for the Suntory Sustainability Vision

CO₂

Promoting efforts to reduce CO₂ emissions throughout the lifecycle

From production to distribution and sales, we promote energy-saving activities to reduce CO₂ emissions. We also manage the volume of electricity and paper consumption in our offices to conserve energy.

Raw Ingredients

Pursuing quality of raw ingredients

We dedicate ourselves thoroughly to quality in order to provide customers with the Häagen-Dazs Moment (that blissful instant that occurs when Häagen-Dazs is tasted). We are especially particular about milk, the main ingredient of ice cream. Our dairy farmers adjust feed to suit the physical condition of each individual cow, and even manage the components of grass and soil, which determine the composition of milk. We also use carefully selected secondary ingredients which determine the taste, such as fruits, nuts, and chocolate from around the world. We believe that we can enhance the Häagen-Dazs brand not only by making safe and trustworthy products, but also by offering even higher quality products that delight our customers.

Containers and Packaging

Reducing volume, weight and plastic use in packaging

As we strengthen our efforts to reduce plastic, we have set Plastic Resource Reduction Targets with a target date of 2025. Our ultimate aim for these efforts is to reduce our annual plastic use volume by 50% per year (compared to 2021). We will also move ahead with a gradual switch from petroleum-derived plastics to environmentally friendly plastics or non-plastic materials for ice cream packaging materials (lids, tamper-evident components, etc.) and spoons. We are also working to reduce environmental impact by making packaging materials such as mini cups, lids, spoons, and corrugated cardboard thinner and lighter.

Human Rights

Fair human resource system in place

To help ensure that our employees feel a sense of fulfillment in their work, we have developed a fair and highly credible evaluation system involving interviews during which self-evaluations and evaluations from supervisors are discussed.

Employing Persons with Disabilities

We hire people with disabilities mainly for clerical and other duties at our headquarters.

Promoting work-life balance

We undertake initiatives with work-life balance in mind so that we can help employees balance their professional and family/social lives. In particular, since long working hours have a significant impact on employees' physical and mental health, we have specified the reduction of overtime work as a company-wide issue, and are working to optimize work hours by implementing thorough management measures.

Strengthening initiatives to support the development of the next generation

To enable employees to work in a comfortable environment over the long term, we are enhancing and strengthening our systems for childcare leave and for shortened work hours to facilitate childcare. We have also introduced an early return to work support system to assist employees who wish to return to work and play an active role at an early stage.



Creating a healthy and comfortable workplace

One unique initiative we have introduced is our LOHAS Point benefits system, which converts each employee's actions into points. Under this system, points are awarded according to each healthy activity performed, such as participating in marathon/walking events or using sports clubs. Participants are presented with prizes of their choice from a catalog, according to the points they accumulate.

In consideration of mental health, we have also set up a contact point for consultation outside of the company. Mental health training is conducted once a year as part of our efforts for early detection and prevention of illnesses.

Also, in order to prevent discrimination and harassment in the workplace, we hold training sessions and workplace workshops to raise employee awareness.

Enriching Life

Supporting the Kiritappu Wetland National Trust

Since 2007, Häagen-Dazs Japan has been providing support for the Kiritappu Wetland National Trust in Hamanaka, Akkeshi, part of Hokkaido's Konsen district, a production area for the milk used as a key ingredient of ice cream. Kiritappu Wetland has also been registered in Ramsar Convention in 1993 as the third largest wetland in Japan. In addition to providing financial support, our employees regularly conduct volunteer activities, working together with members of the local community to preserve the scenery of the wetlands by repairing the boardwalk.



A view of landscape repair

Ice cream donated to food bank

Since 2007, we have supported Second Harvest Japan, an authorized NPO and Japan's first food bank organization.

Through our food donations to Second Harvest Japan, which conducts food bank activities* providing food free of charge to social welfare facilities, we provide ice cream to children at those facilities every summer vacation and Christmas season. In doing so, we provide happy times and smiles.

* Food bank activities: Activities providing food products to social welfare facilities, etc. The donated food products were previously discarded in spite of there being no safety issues in the manufacturing and distribution processes.



Donating ice cream to child-care facilities

Continuing from 2018, employees of the Suntory Group and Häagen-Dazs Japan worked together again in 2019 as volunteers for a food bank that delivers ice cream to mother-and-child support facilities, child-care facilities, etc.

Providing school-visit classes in nutrition & career education

In order to advance education regarding nutrition and careers, we have been visiting schools to present classes, mainly at elementary schools in Tokyo, Chiba, Saitama, and Kanagawa Prefectures, titled “What is delicious?” The program serves about 30 schools each year. Many children get to experience a sense of gratitude for the food they eat, the enjoyment of cooperating with their peers, and the pleasure of making others happy through work.

In 2019, we also presented classes for elementary school students in the cities of Iwaki and Soma, Fukushima Prefecture, as part of the Suntory Group's Suntory Tohoku Sun-Sun Project supporting recovery from the Great East Japan Earthquake.



Visiting lecture classes on nutrition



Children's New Product Plans Presented

Receiving visits to the company

Häagen-Dazs Japan accepts visits to the company by middle school and high school students, who can learn about our brand, our commitment to quality, and our product development process. The program also began accepting students online in 2020.



An online visit to the company

DYNAC HOLDINGS CORPORATION

Head Office	2-3-3 Daiba, Minato-ku, Tokyo, Japan (inside Suntory World Headquarters)
Established	March 1958
Capital	¥50 million
Sales	¥17.2 billion (FY2021 results)
Employees	900 (As of December 31, 2021)
Group companies	• DYNAC Corporation • DYNAC Partners Corporation
Business activities	<ul style="list-style-type: none"> • DYNAC Corporation Management of restaurants with multiple business formats, such as Hibiki, Uomori, Toridori, Papa Milano, etc., and party catering business • DYNAC Partners Corporation Consignment operation of restaurants at golf courses resorts, operation of roadside stations and expressway service areas
Website	https://www.dynac.co.jp/



Company Overview and Philosophy

■ “Dynamically creating the joy of food” — That is our work.

In times of sorrow, suffering and anger, people have no appetite for food. Eating has always been a part of enjoyment for people in what we do, including festivals, talking with each other, new encounters and commemorations. Our job is to contribute to lives overflowing with this kind of joy. This is hard work that requires unceasing effort. But it is also valuable work. A company that has a full range of programs to delight customers by opening up the enjoyment of food in every direction. This is the kind of company we aim to be.

Primary Sustainability Activities

■ Promoting Sustainability Management

Suntory Group's Philosophy on Sustainability

At the DYNAC Group, our good corporate citizenship is based on the corporate philosophy of “Dynamically creating the joy of food.” Our aim is to develop food culture, create new value and excitement, and realize a sustainable society by staying close to our customers, employees, and all stakeholders, providing them all with enriching and enjoyable communication through food.

Corporate Governance

As its system for advancing corporate governance, DYNAC HOLDINGS CORPORATION has chosen to establish a corporate structure that includes auditors. The Board of Directors consists of six members (including two corporate auditors) and makes decisions on issues related to overall management. In addition, we have an Executive Officer system to ensure prompt execution of business operations.

There are two auditors, who use the internal control system to audit the execution of duties by directors, and the general state of business execution. The Auditing Department has been set up for internal control, and works to maintain the soundness of execution of business operations.

In addition, crucial risks are comprehensively and exhaustively managed by the Group Risk Management Committee. We have also established a Sustainability Management Promotion Office to advance sustainability in all organizational functions.

Thorough compliance

Based on the Suntory Group's Code of Business Ethics, we have established Compliance Rules and Compliance Hotline Rules to ensure thorough compliance.

Raising employee awareness

In addition to explaining compliance in an easy-to-understand manner for employees on the intranet, we have produced a Compliance Handbook and distributed it to all employees. Members of senior management provide training sessions directly at restaurants and study sessions in each department. Employee awareness surveys are also conducted periodically to check the degree of penetration.

In addition, posters are displayed in all restaurants to spread awareness of the Compliance Hotline among employees.

Risk Management

The DYNAC Group has established rules regarding business crisis management, confidentiality management, and risk management to enhance and strengthen risk management in our corporate administration. With regard to information security, under rules concerning the protection of employees and personal information, we have established standards for handling the disclosure, correction, and suspension of use of personal information, as well as standards for the use of IT systems, and are working to strictly apply these rules. Furthermore, we are working to identify various risks associated with our business, and have created a system to preempt the emergence of risks and to respond promptly to emergent risks.

■ Relations with Customers

Pursuing safety and security through our Quality Assurance Management System

We have established and are operating a Quality Assurance Management System to pursue food safety and security, and to provide services that satisfy our customers. Based on the system, the Purchasing and Quality Assurance Divisions take the lead in formulating quality assurance policies (plans) while conducting restaurant hygiene inspections and analysis of defective products. We also carry out internal audits as we work to make continual improvements.

Establishment of Policy on Responding to Customer Feedback

The DYNAC Group has established a Policy on Responding to Customer Feedback, as we work constantly to improve customer satisfaction.

Policy on Responding to Customer Feedback:

- We respond promptly, appropriately and in good faith to customer inquiries and comments.
- We sincerely appreciate the opinions and requests of our customers, and actively reflect them in our corporate activities.
- We listen constantly to our customers' opinions and use them to improve our products and services.

Reflection of customer feedback in restaurant activities

We actively collect customer feedback from our website and other sources, and have established a network that allows us to share feedback and inquiries with all of our restaurants. Suggestions at each restaurant are fed back to the restaurants and sales managers, and are reflected in restaurant improvement activities.

■ Environmental Efforts

ISO14001 certification

We have been continuously certified for ISO 14001, the international standard for environmental management systems, since December 2009. We continuously advance environmental improvement activities through the PDCA cycle in order to put into practice the environmental policy set forth by the DYNAC Group.

Reduction and recycling of food waste

Strategies for waste-free dining, waste-free consumption, and foodstuffs inventory volumes:

- We make efforts to achieve waste-free dining by testing meal content and working to optimize possible per-person portion volumes.
- In addition, the company manages inventory of food ingredients on a daily basis to eliminate waste stock and reduce waste losses.
- We strive to reduce waste by using a wide variety of ingredients in our menus.

The DYNAC Group also complies with the Food Recycling Law and works to reduce and recycle food waste such as food scraps.

■ Initiatives for the Suntory Sustainability Vision

CO₂

Energy conservation efforts

As part of our energy conservation initiative, each restaurant has set targets for efforts to reduce electricity, water, and gas consumption.

Raw Ingredients

Working with suppliers

DYNAC incorporates the opinions of its customers in wide range of corporate activities while establishing a Food Safety Philosophy and Food Safety Activity Policy based on “All for the Quality,” the DYNAC quality policy. In doing so, we work to maintain and improve quality throughout the food chain in order to provide the highest quality to our customers.

Containers and Packaging

Initiatives on the issue of plastic

The straws used at each restaurant are made of an environmentally friendly material containing biomass plastic. We are also continuing such efforts and are bringing about further plastic reduction in line with the “Law for Promotion of Recycling of Plastics Resources,” which went into effect on April 1, 2022.

Human Rights

Employee Development

To develop human resources, we provide various types of internal training for prospective hirees, as well as training for new employees, management training, leadership training, and other programs. We present “DYNAC Awards” as a system of business process evaluation to improve our hospitality, technical capabilities and team skills. We also hold a company-wide D1 Grand Prix, competition for customer service skills, as well as a Product Development Contest and Drink Development Contest to provide opportunities to share employee growth among all of our members.



DYNAC Awards (held twice a year)



D1 Grand Prix

(hospitality customer service contest, customer service demonstration, and commentary on service)



Product Development Contest

(A theme is specified for each contest, with actual dishes being judged.)



Drink Development Contest

(A theme is specified for each contest, which includes a demonstration and tasting, "making-of" stories, etc.)

Promotion of diversity

The DYNAC Group believes that respect for diversity is important for corporate development. We have an internal system in place to enable employees to flourish in a diverse workforce regardless of gender or age.

Contributing to the local community of each restaurant is also essential for corporate growth, and we consider the employment of people with disabilities to be a particularly important issue. We will continue our efforts in cooperation with local support organizations, Hello Work, supporters and guardians as we strive to provide meticulous and individualized accommodations that help make working and living fulfilling for those with disabilities themselves.

Eminently Fair and Reasonable Evaluation System

The DYNAC Group has introduced a job qualification system. Employees in management positions set their own goals using a goal management sheet, and discuss the results with their supervisors during interviews, which results in highly satisfactory evaluations and treatment.

Ensuring Reasonable Working Hours

Individual working hours are tallied each month, and a list of employees who exceed the appropriate amounts is compiled, which is reported to management and their department heads to suggest corrective action. To achieve more fundamental solutions, we are reviewing staffing levels and modifying restaurant operations toward optimizing working hours.

Childcare, nursing care and support

We have established internal rules in compliance with the law and promote the use of childcare and nursing care leave. When requested by eligible employees, we also offer shorter hours, exemptions from overtime work, and restrictions on late-night work.

Support for mental and physical health management

We have enhanced our management system with regard to employee health management, ensuring that employees undergo regular health checkups. With regard to mental health care, we conduct annual stress checks on employees. In addition to providing management training for managers, including executives, the company has established an external consultation service to provide counseling and mental support.

Enriching Life

Local community initiatives

In order to root ourselves in the local community, connect with it, and spread food culture, we will work with local producers, companies, and local governments to promote sustainable urban development and regional revitalization through food, and to secure the region's growth potential.

Pronto Corporation

Head Office	Nisshin Building, 1-8-27 Kounan, Minato-ku, Tokyo 108-0075, Japan
Established	February 01, 1988
Capital	¥100 million
Sales	¥12.5 billion (FY2021 results)
Employees	2,405 (as of 2021, includes full-time employees, contract employees and casual workers)
Business activities	Founded in 1988, Pronto Corporation is the umbrella for several cafe, bar, and restaurant franchises, including PRONTO, a “cafe by day, bar by night” which provides a relaxing to spend time any time of the day, Di PUNTO, a wine bar where customers can enjoy wine and food in a casual environment, É PRONTO, a cafe offering lemonade and gourmet hotdogs, and Tsumugi, a Japanese-style cafe serving tea and Japanese sweets.
Website	http://www.pronto.co.jp/



Pronto Group Sustainability

■ SHARING SMILE

The Pronto Group aims to realize a society in which everyone can share a smile for the sake of a sustainable society (future) under our mission “Sharing Smile” .



Primary Sustainability Activities

Pronto Group's Four Initiatives



■ Protecting People



Provision of safe and reliable products

Pronto Corporation conducts thorough quality management in compliance with laws and regulations. In order to ensure the quality and safety of ingredients as well as their quality during distribution and consumption, we conduct daily quality and hygiene environment checks and periodic sanitary inspections through external organizations to create a safer environment and products that are more reliable.

Employee Job Satisfaction and Diversity Promotion

Pronto Corporation provides various training programs for human resource development.

We also provide support for the acquisition of various qualifications to enhance employee skills and develop human resources with specialized skills.

As for recruitment, in addition to new graduates and career hires, we are actively working to promote part-time workers to employees. Pronto Corporation also promotes diversity by hiring a diverse workforce.

■ Protecting the Seas



Environmentally-friendly Containers and Materials

Pronto Corporation promotes “3R+Renewable” in contrast with disposable plastics to recycle valuable resources and achieve a sustainable society.

REDUCE Reduce waste as well as reduce weight of plastic materials use

REUSE Promote reuse as well as use glasses and ceramic utensils in store

RECYCLE Reuse waste as materials and fuel with low environmental impact

RENEWABLE Switch to renewable resources as well as replace plastic materials to biomass plastic materials

■ Protect Resources



Promotion of food loss reduction

We are promoting reduction of food loss by managing inventory with our unique Supply Chain Management (SCM) system. In addition, we manage ordering at each store based on data to balance supply and demand.

Promotion of recycling

We proactively engage in reduction of food wastes, non-combustible wastes, food oil, and other wastes.

Act on Promotion of Recycling and Related Activities for Treatment of Cyclical Food Resources stipulates a mandatory rate for restaurant industry to recycle or reduce 50% of its food waste, but our store chain achieves a rate of 65% or more.

Water Sustainability

As a member of the Suntory Group, PRONTO Group is promoting activities to increase understanding of the water cycle, reduction and recycling of water, wastewater management, watershed conservation, and coexistence with the local community.

Environmentally-friendly store designs

PRONTO Group designs stores that incorporate thorough energy saving and environmental consideration in mind.

Use of insulation films

Implements films with heat reflecting and insulating properties that improve efficiency of air conditioning

Implementation of hybrid kitchen equipment

Implement dish washers with unit to recover and reuse heat from steam

60% to 70% more energy-saving performance compared to conventional equipment

Water-saving equipment

Implements water-saving equipment with greater cleansing performance that have 50% more water-saving effect compared to conventional equipment

ISO and Eco Mark certifications

We acquired ISO 14001, the international standard for environmental management systems, in 2009

In 2017, we acquired the first Eco Mark certification as a restaurant store (PRONTO store)

■ Protect Forests



P LOVE GREEN

PRONTO Group has been promoting “P LOVE GREEN” activities with the theme of “More Green in Japan”, an activity to donate part of the sales of P LOVE GREEN menus which use ingredients from selected location or ingredient prepared with a select method.

The donations are mainly donated to the National Land Afforestation Promotion Organization and used for greenification activities to plant, nurture, and use forests and preserve the natural cycle of forests.



Izutsu Maisen Co., Ltd.

Head Office	4-8-5 Jingumae, Shibuya-ku, Tokyo 150-0001
Established	February 01, 1988
Capital	¥10 million
Sales	¥10.2 billion (FY2021 results)
Employees	362 (As of March 2021)
Business activities	Restaurant business, direct sales at department stores and commercial facilities, delivery business, wholesale business, mail order business, overseas business
Website	https://mai-sen.com/



Company Overview and Philosophy

■Our Cherished Value: Putting the Customer First

Known for its top brand of pork cutlet specialty restaurants, Tonkatsu MAiSEN, Izutsu Maisen has made steady progress since its establishment in 1965 by striving to provide safe, secure, and delicious foods under the motto “Our Cherished Value: Putting the Customer First.” Having begun with the opening of the first restaurant by the founder, a homemaker, in Hibiya, Tokyo, the company now operates 14 directly managed restaurants and 63 other directly managed outlets mainly located in department stores and train stations. We also provide our commitment to taste by operating a variety of catering, delivery, mail-order sales, and other businesses. In addition, the company has been expanding its restaurants overseas since 2012, with a total of 17 restaurants: 12 in Thailand, 3 in the Philippines and 2 in Taiwan (as of April 2022). We became a member of the Suntory Group in 2008, and continue to carefully protect the traditional MAiSEN brand while utilizing the Group’s backbone.

Corporate Philosophy

We will always strive to manufacture products with sincerity and sell them in a spirit of hospitality for the sake of the “delicious smiles” of our customers.

And we will continue to make various efforts so that all people involved with the company will be able to say, “What a good company this is.”

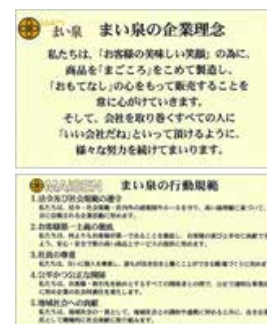
Primary Sustainability Activities

■ Sustainability Management Promotion

Sharing our Corporate Philosophy & Code of Conduct with all employees

At Maisen, our CSR efforts consist of nothing other than practicing our corporate philosophy of manufacturing products with sincerity and selling them in a spirit of hospitality for the sake of the “delicious smiles” of our customers.

In addition to our Corporate Philosophy, which is the starting point for CSR management, Maisen has formulated a Code of Conduct that outlines the things employees should do. These are made into portable cards and distributed to all employees, and are also recited at morning meetings to ensure that they are thoroughly familiar to all employees.



Every employee carries a card stating the Corporate Philosophy and Code of Conduct

Code of Conduct

1. Compliance with laws, regulations and social norms

We will comply with laws and regulations, social norms, internal and external company rules and regulations, and endeavor to conduct corporate activities based on high ethical standards to earn the trust of society.

2. Complete adherence to the customer-first principle

We will ensure that, above all else, our customers always come first, and will strive to provide safe, secure, high-quality products and services that contribute to the delight and happiness of our customers.

3. Respect for employees

We respect individuality in each other, and strive to create a workplace where everyone can work with vigor and enthusiasm.

4. Fair and equitable dealings

We will fulfill our corporate social responsibility by striving to conduct our business activities in a fair and transparent manner with our customers, business associates and all other stakeholders.

5. Contributions to local communities

We will strive to harmonize and cooperate with our local community as one of its members as we actively contribute to society in our role as a good corporate citizen.

Promotion of risk management

Maisen has established management rules for the handling of customers' personal information, over which we exercise strict control. In the mail-order business, where occasions for handling personal information are frequent, we use the Suntory Group's networks and implement security measures equivalent to those of the Group.

Also, in light of the recent social issue arising from employees transmitting inappropriate information via SNS, we have established an SNS Policy and are strengthening efforts to raise awareness among employees through meetings with location managers.

Strengthening brand management

In order to protect and enhance the value of the MAiSEN brand cultivated over the past half-century, we have registered it as a trademark and strictly control the use of the logo with established guidelines.

■ Safety and Quality of Food Products

Our uncompromising commitment to quality

At Tonkatsu MAiSEN, compromise is something that simply could not exist in our commitment to deliciousness. In order for our customers to enjoy truly delicious pork cutlet, we are particular about pork and all other ingredients and cooking methods, and we continue to preserve the flavors that have been enjoyed since our establishment.

Establishment of a sanitation management system

Maisen offers freshly cooked pork cutlets at its restaurants and directly-managed outlets, but the processing and preparation of ingredients is done at three plants: the Takatsu Plant (Kawasaki, Kanagawa Prefecture), the Tsuzuki Plant (Yokohama, Kanagawa Prefecture), and the Osaka Plant (Osaka, Osaka Prefecture). Established in 1995, the Takatsu Plant underwent a complete renovation including sanitation management in 2008 as its scale expanded. Zoning and air pressure control were introduced to prevent contamination, as well as metal detectors and X-ray detectors to prevent contamination with foreign objects. In addition, we have established an organizational structure centered on our Quality and Sanitation Management Department, as well as hair countermeasures using air showers and adhesive rollers, as well as strict rules for entering workrooms. Physical security measures have also been strengthened through the installation of card locks and establishment of one-way traffic within plants. By undertaking these initiatives and advancing these standards and rules at our facilities, we obtained certification in 2010 under ISO9001, the international standard for quality management. In 2016, we started 7S activities, and in 2021 we adopted the HACCP system.



A panoramic view of the Takatsu Plant



A panoramic view of the Tsuzuki Plant

System for uniform quality management throughout Japan

Based on the quality management methods and know-how cultivated through our activities at the Takatsu Plant, we established the Osaka Plant in 2013 and the Tsuzuki Plant in 2016. Each of our plants is committed to thorough quality management as we strive to maintain and improve quality.

In addition, from the standpoint of food defense, quality assurance cameras have been installed in each plant to improve crime prevention systems and enhance quality control by improving operational visibility.

Thorough education on sanitation management

Food safety and security are supported by each employee's knowledge and awareness of food sanitation. For this reason, we conduct thorough sanitation management training for all employees, including part-time and casual workers, and maintain an e-learning course attendance rate of 100%.

■ Relations with Customers

Priority on dialogue with customers

We have established a Customer Service Center to actively collect customer feedback. This is how we put into practice the credo: "Our Cherished Value: Putting the Customer First." The information is reported and shared at monthly managerial meetings and meetings with location managers, and is used to improve products and services throughout the whole company.

Examples of improvements based on customer feedback

At Maisen, we continue to review our bread production methods and recipes to further improve the quality of our signature product, the pork fillet cutlet sandwich. In 2013, we received feedback that the products seemed to be a little dry a short time after sale. In response, we began conducting extra food inspections in addition to those already conducted immediately upon completion. We performed the new inspections just before the consumption and expiration dates to ensure the same conditions as our customers, in an effort to eliminate any differences in taste. Moving forward, we will continue to emphasize quality at the customer's time of consumption in addition to the taste of freshly made items.

Appropriate information disclosure

All information disclosure through various media, such as our website and in-store announcements, is conducted after the Quality and Sanitation Management Department and the Marketing Department have confirmed its legal compliance and appropriateness. In particular, we strive for accurate labeling and easy-to-understand expressions for bulk product labeling and in-store POP and price cards, etc. We endeavor to enhance and improve information disclosure as appropriate, based on customer needs and interest in communication of the information. We also check all menu descriptions to ensure that there are no misleading expressions or ambiguous implications.

Consideration for overseas customers

With the increase in the number of non-Japanese customers in recent years, the restaurant has introduced menu booklets labeled in four languages (Japanese, English, Chinese, and Korean).

■ Initiatives for the Suntory Sustainability Vision

Raw Ingredients

Ensuring traceability

Amid an increasing awareness of food safety and security, inquiries from customers and business partners regarding the places of origin of pork and other products are increasing. For this reason, we maintain documentation of the place of origin, and respond accurately to inquiries.

Promotion of food recycling

We focus effort on reducing and recycling food waste, including our early implementation of 100% waste oil recycling. Bread crusts removed during the production of pork fillet cutlet sandwiches have been effectively utilized by selling them to bread crumbs manufacturers and feed producers. As a result of these efforts, we have maintained a 100% recycling rate at the Takatsu Plant and approximately 50% at our shops, and we will continue to strive for further improvement.

Adoption of filtered fryers

In addition to the above efforts, we have been gradually switching to fryers equipped with filters in our shops, thereby reducing the workload of female kitchen staff and significantly reducing waste oil volumes. By the end of 2022, we plan to have completed the conversion of about 40 shops.

Reducing food loss

Since we work with items delivered daily, unsold products have to be discarded immediately. We are therefore working on management to improve sales and minimize food loss, and have achieved one of the best loss ratios in the industry.

Original Amai Yuwaku pork (Sweet Temptation) brand made from recycled food

In 2012, Maisen collaborated with feed manufacturers and pig farmers to develop Amai Yuwaku (Sweet Temptation), an original pork product from pigs raised on a feed made with bread crusts from pork fillet cutlet sandwiches. We then began using it as an ingredient for pork cutlets and other products. We have also reported and registered as a recycler as stipulated by the Food Recycling Law. As of March 2020 Amai Yuwaku (Sweet Temptation) original pork was being supplied at a rate of about 30 head per month, and we plan to further expand this moving forward.



Original Amai Yuwaku (Sweet Temptation) pork

Containers and Packaging

Switching take-out bags

In 2021, we implemented a switch to a 25% biomass material for the take-out bags used at our directly managed retail shops. To encourage customers to bring their own bags, we developed an eco-bag specially made by Maisen, ideally sized to hold our products and offered for sale in our shops.

Health

Calorie and allergen labeling for each product

In keeping with the recent health boom, we display nutritional information for each product on our website. We disclose allergen information to ensure that customers can enjoy their meals with peace of mind. In addition to the seven raw ingredients specified for mandatory disclosure, we also display information on the 21 associated ingredients for which disclosure is optional.

Human Rights

Relations with Business Partners

Technical trainees

Maisen has been accepting technical trainees from the Philippines since 2016, and approximately 50 trainees are currently working at our plants to acquire skills in prepared food production.

Conducting audits of supplier plants

In order to provide our customers with safe, secure meals, it is essential that we maintain relationships of trust with our suppliers, including providers of pork and other raw ingredients. For this reason, when we begin dealing with a new supplier, we conduct a local plant audit, whether in Japan or overseas, to confirm that the supplier is trustworthy. We also conduct regular audits of existing suppliers and request improvements as necessary as we work to create a system that ensures safety and security throughout the supply chain.

Relationship with Employees

Creating an environment supportive of employee growth

In order to bring smiles to our customers' faces, it is essential that each and every employee who provides products and services benefits from personal awareness and growth. Based on this idea, Maisen has established a training system by job classification and seniority level, and also utilizes outside training programs to meet the growth aspirations of employees.

Mental and physical health support for employees

To ensure that employees can always work with vigor and enthusiasm, we conduct regular health checkups once a year (twice for those working at night) and maintain a 100% examination rate. We hold regular consultation sessions with occupational physicians, not only for physical health management, but to also promote mental health self-checks and to follow up on the check results. In addition, our Health and Safety Committee sponsors monthly workplace inspection visits to ensure a safe workplace.

Unique motivational contests

In order to enhance the quality of customer service by store employees who have many opportunities to interact with customers, we hold the M-1 Grand Prix every year based on the “MAiSEN Hospitality No. 1” concept. Each award recognizes exemplary smiles and customer service at our shops, which not only motivates the honorees but also has a ripple effect on other employees.



The 3rd M-1 Grand Prix in 2016

Internal performance recognition system

Awards are presented to employees who have achieved exemplary results, such as notable achievements in business performance and social contribution activities. We have introduced the “MAiSEN of the Year” system, intended not only to improve company performance and raise morale, but also to fulfill our corporate philosophy.

Promoting Work-Life Balance

Given our high percentage of female employees, particularly at MAiSEN shops, we have worked from early on to create an environment that allows employees to balance work and family life. In 2011, we introduced a maternity and childcare leave system, which has been used by many employees.

Promotion of Diversity

At Maisen, we aim to create a workplace where diverse human resources can play an active role regardless of gender, age, nationality, or disability.

Active in hiring people with disabilities, we now have 12 employees with disabilities.

Enriching Life

Helping revitalize the community around our main location

To local residents in the vicinity of our main shop location in Aoyama, Shibuya-ku, we are a familiar presence at the core of the local shopping district. To fulfill our responsibility as a member of the local community, we participate in the Town Development Association, and also cooperate in traffic safety activities. During the COVID-19 pandemic, we have also engaged in support activities in which we provide warm, easy-to-eat meals for very busy medical professionals.

The Children's Project, supporting children's growth through meals

The Children's Project has been in operation since 2011, providing pork fillet cutlet sandwiches to children working hard at sports such as baseball, soccer, and golf, thereby supporting healthy growth of the children who will lead the next generation. Aside from the delicious taste, the Japanese name for these sandwiches includes the word "katsu," synonymous with "win," which makes them a favorite good-luck charm for kids.



Presentation of pork fillet cutlet sandwiches at the Yamato City Youth Baseball Clinic

Suntory Flowers Ltd.

Head Office	4-17-5 Shiba, Minato-ku, Tokyo 108-0014 (Sotetsu Tamachi Building 4F)
Established	July 2002 (as the floristry operations dept. of Suntory Ltd. split off to become an independent company)
Capital	¥100 million
Sales	5 billion yen (by fiscal 2021)
Employees	59 (in 2021)
Business activities	Development, production and sales of flower seedlings, potted flowers, vegetable seedlings, fruits & vegetables,
Website	https://www.suntory.co.jp/flower/



Company Overview and Philosophy

Since the 1980s, Suntory has considered flowers to be things that enrich people's lives and impart a healthy spirit. We have applied basic research cultivated in the alcoholic beverage and food fields to the research and development of plants, enabling us to offer our customers ways of enjoying living with flowers. As this business operation expanded, it was spun off in July 2002 to form the independent company Suntory Flowers Ltd. Today we engage in global business operations with sales areas across more than 30 countries, primarily in Europe, North America, Australia, etc., as well as in Japan. Moving forward, we will act every day in pursuit of our aspiration to move the hearts and enrich the spirits of customers the world over through our premium flower and vegetable products.

Primary Sustainability Activities

■ Sustainability Management Promotion

In order to realize the Group's corporate philosophy, "To Create Harmony with People and Nature," we have established guidelines based on the Group's Code of Business Ethics, enabling us to act as a company that offers enjoyment of living with flowers. To ensure thoroughgoing internal compliance, we promote management compliance activities among all employees.

Protecting/utilizing intellectual property rights

We strive to protect our own intellectual property rights and take appropriate measures against infringement so that we can continue to offer products with high added value unique to Suntory Flowers Limited, utilizing plant breeder's rights, trademark rights, and other rights. We are also mindful of third-party intellectual property rights, and conduct thorough in-house training to ensure that we do not infringe on such rights.

■ Relations with Customers

Offering customers a life with flowers, and the joy of growing flowers

By providing ways to enjoy plants that suit diversifying lifestyles, we hope to expand our circle of communication with customers. In order to enable customers to enjoy the satisfaction of living with flowers and the joy of growing flowers, Suntory Flowers Ltd. includes a corner on its website where customers can search for sales outlets. The site includes Q&A and video content on how to grow flowers, information on the characteristics of each variety, quality control efforts, etc. We have also established a Customer Center to respond to various inquiries by phone and e-mail. In addition, the back of our product labels describe plant characteristics and points for cultivation.



Website

Improve products and services utilizing customer feedback

All information on customer comments and requests received by the Suntory Flowers Customer Center is recorded and compiled on a regular basis. The information is then shared among all the relevant parties, and utilized to improve products and services, and to develop new products.

■ Environmental Efforts

Thorough compliance with environmental laws and regulations

In order to ensure thorough compliance with environment-related laws and regulations, Suntory Flowers compiles a list of applicable laws and regulations each year and conducts periodic compliance checks. Other initiatives include continued use of FSC-certified paper and vegetable oil-based ink in pamphlets, further reduction of electricity consumption at the Head Office, and continued action calling on contract farmers to engage in environmentally sound practices when using agricultural chemicals. Regarding environmental education for employees, in addition to instruction during new-employee training, we also conduct e-learning once a year, and all employees take the course.

Environmentally friendly offices

At our Head Office (Minato-ku, Tokyo) and R&D Center (Higashiomi City, Shiga Prefecture), we follow a checklist once a year to confirm whether these facilities are operated in an environmentally sound manner, thus ensuring compliance with environment-related laws and regulations.

■ Initiatives for the Suntory Sustainability Vision

Water

Donation to WaterAid Japan

A portion of the proceeds from the sale of “&Green” indoor houseplants, a product concept we describe as “a green brand that creates new connections with greenery,” is donated to WaterAid Japan, a designated nonprofit organization.



CO₂

CO₂ reduction in logistics

We are working to reduce CO₂ emissions in logistics by increasing the supply-demand ratios in our shipment areas and shortening product transportation distances as much as possible.

Launching environmentally friendly products

In response to growing environmental awareness in recent years, Suntory Flowers Ltd. has been marketing products that offer customers an eco-friendly lifestyle, such as products for green-wall vertical gardens (Eco Goya, etc.) and products with highly effective leaf transpiration (Sun Venus, Terrace Lime, etc.). We also provide information on how to grow and enjoy them.

Raw Ingredients

Safety and Security Initiatives

In order to ensure that our customers can enjoy peace of mind in living with flowers, we voluntarily conduct virus and viroid tests for microorganisms and bacteria on the stock plants of our products in accordance with the inspection standards of an official body in the Netherlands that conducts quality inspections of horticultural products.

Regarding quality control at the product production stage, we share information on production status through our in-house Quality Committee to thoroughly prevent and address quality problems.

Containers and Packaging

Utilization of “nurtured” forest timber

Ready to Harvest, edible table herbs with the concept of making the pleasure of taste more accessible, easier and more enjoyable, are cultivated partly on land using “nurtured timber,” a byproduct of forest husbandry at Natural Water Sanctuary forests.

Health

Donation to the Japan Pink Ribbon Movement against breast cancer

The Princettia of Suntory Flowers Ltd. has been highly acclaimed both in Japan and overseas, named Japan Flower of the Year in 2009 and winning gold medals at overseas exhibitions. A portion of the proceeds from Princettia sales are donated to the Japan Pink Ribbon Movement for Breast Cancer (J.POSH) to support their activities.



Princettia

Human Rights

Initiatives with Business Partners

Compliance with the Subcontract Act

The farmers to whom Suntory Flowers Ltd. outsources the production of flower and vegetable seedlings are vital partners in advancing our business. In order to maintain mutual win-win relationships, we conduct fair transactions and comply with the Subcontract Act at each stage of contracting, ordering, delivery, acceptance inspection, and payment.

Relationship with Employees

Encouraging flexible work styles to suit each individual

In January 2019, Suntory Flowers Ltd. introduced a telework labor system. This has enabled employees to work from home as well as at the office or on business trips, promoting work styles tailored to each individual employee. By further enhancing IT tools, we also support flexible work styles from any location.

Self-development support

To promote self-development, we have introduced the SUNTORY Self Development Program, a support effort common to the Suntory Group, through which employees can attend various programs as needed.

Promoting work-life balance

To help employees balance work and personal life, we have institutionalized leave systems for childcare and nursing care, as well as for shorter work hours and staggered shifts. Since 2014, we have set targets for overtime work hours, and have greatly reduced overtime by managing it thoroughly to ensure that employees take compensatory time off if they work on holidays for business reasons.

Enriching Life

Supporting local revitalization and next-generation development through flowers

In 2012, after the Great East Japan Earthquake, the Red Flower Project was launched to plant flowers in parks and other public facilities to help revitalize communities, and in 2015, the Big Flower Project was launched nationwide. We have donated flower seedlings to organizations throughout Japan. We received numerous reports of conversations and smiles spreading through participation in the project as the members of the community engaged in growing flowers together. We have also implemented the Kids Gardening Project, supporting flower gardening by children through donations of flower seedlings (by application) to elementary schools across Japan, with the aim of encouraging children to cooperate with their peers and interact with local residents through flowers. Since 2017, we have consolidated and focused these activities on supporting earthquake recovery efforts in the Tohoku and Kumamoto areas. We will continue our activities from 2019 to make as many people smile as possible through the power of flowers as part of the Tomorrow's Flowers Project.



Planting for the Big Flower Project



The Kids Gardening Project

Flower, seedling donations to areas affected by the Great East Japan Earthquake

In 2011 and 2012, we supplied flower seedlings to the Flower Bed Restoration Program run by the MUFG-UNESCO Association Great East Japan Earthquake Recovery Scholarship Fund, and also provided flower seedlings to elementary schools in Miyagi Prefecture and for the activities of “Green Advisors” in the affected areas. In 2011, employees visited Rikuzentakata City in Iwate Prefecture to deliver planters with Million Bell and Sun Venus flower varieties to people living in temporary housing, and from 2012 to 2014, employees worked with local residents as volunteers to create flower beds alongside national roads. Since 2016, we have been conducting flower-planting workshops in collaboration with Suntory Holdings at children’s centers and school childcare centers in the Tohoku area, and at temporary housing in Kumamoto.



Employees visiting Rikuzentakata City, Iwate Prefecture in 2011



Employees and volunteers participating in the 2012 Rikuzentakata National Roadside Flower Bed Project



Participants in the 2015 workshop at the Ishinomaki Children’s Center



Participants in the 2017 workshop at temporary housing facilities in Kumamoto

Participation in Women’s Activity Support Program

Since 2020, Suntory Flowers has participated in a charity program for Girls Inc., a North American nonprofit organization that supports girls ages 5 to 18, donating a portion of the sales proceeds from our Soiree® Kawaii brand of flower seedlings each year. A portion was also sent to support homeless youth.



(Soiree® Kawaii is offered in Japan as the “Fairy Star” variety.)

Scholarship program established to support the next-generation of human resources

The Dream Big scholarship will be established in 2022 in partnership with the American Floral Endowment (AFE) to support enthusiastic agricultural students, nurture the next generation, and give back to the horticultural industry in order to develop it and create the future of flowers.

Suntory Marketing & Commerce Ltd.

Head Office	1-8-12 Harumi, Chuo-ku, Tokyo 104-6231, (Harumi Island Triton Square Office Tower Z, 31F)
Established	January 1975
Capital	¥100 million
Sales	¥9.6 billion (FY2021)
Employees	182 (As of December 31, 2021) Male: 103 Female: 79
Business activities	<ul style="list-style-type: none">• Sales of liquor-related equipment (for liquor retailers and food & drink establishments)• Sales promotion support and representation for Suntory operating companies (promotional campaign planning, prize merchandise proposals, shipping, and office operation)• Sales of beer, wine, whiskey, etc.
Website	https://www.suntory.co.jp/smc/



Company Overview and Philosophy

■ Company Overview

Suntory Marketing & Commerce Ltd. plays a role in supporting the Suntory Group's relationships with various customers through the planning and management of various campaigns conducted by the Suntory Group and the development and sale of various kinds of equipment used by Suntory Group's valued customers including pubs, bars and restaurants.

■ Corporate Philosophy

We strive to realize, maintain and improve consumer satisfaction in every way through various activities to fulfill the responsibility as a member of the society.

We value communication with the consumers and provide safe and reliable products and services that bring joy to the consumer and gain their trust, while providing information and implementing consumer feedback to our business activities.

In order to fulfill the philosophy noted above, we have established the following five basic management policies.

- Sincerity in business conduct
- An enthusiastic workplace culture where it's easy to work
- The customer comes first
- The pursuit of safety and quality
- Taking up the challenge of creating new value

Primary Sustainability Activities

■ Sustainability Management Promotion

Awareness and pervasiveness of compliance

In order for each and every one of us to be a good corporate citizen and always to perform our duties with good citizenship in mind, every employee reviews the Suntory Group's Philosophy (our Compliance Handbook). We also work to instill and raise awareness of compliance through workplace discussions.

■ Quality Management

Thorough quality assurance and improvement

As a member of the Suntory Group, we comply with various relevant laws and regulations, and with the Suntory Group Quality Policy. We work to thoroughly ensure and improve quality in all processes related to the product life cycle, from planning and development in the development of new commercial materials and procurement of ready-made products, to the selection, procurement, manufacturing, distribution and sales of raw materials. We go beyond merely developing products that are safe and secure to commit ourselves thoroughly to the quality of Suntory products at the moment customers consume them, and to reducing the operational burdens on food and beverage service establishments.

Our space-saving stackable designs for various kinds of equipment have been particularly well received, as has our “Ichioshi-kun” one-push metering dispenser, which makes measurement easy and helps improve drink quality and yield control.



Highball mug liquid temperature change test



Various stackable wares and the “Ichioshi-kun” one-push metering dispenser

■ Relations with Customers

Automated ordering system development

Despite some temporary easing due to the COVID-19 pandemic, the restaurant industry has been experiencing a permanent labor shortage for some time. In addition, the post-closing inventory and sales forecasting workload associated with the ordering process had imposed a burden on efforts to improve work environments for those employed in the food and beverage industry. To address this issue, we have developed a new function for our online order and supply (NDC) system for restaurants, providing a mechanism for calculating future sales forecasts based on past sales and automatically placing orders. It has been extremely well-received for its ability to avoid loss of sales opportunities due to ingredient shortages, improve food waste and yield, and reduce workloads.

Strict management of personal information

Our work in the planning and implementation of sales promotion campaigns and in the development and sale of alcoholic beverages and related goods links us to many general consumers and businesses. We understand that these ties are made possible by the fact that our customers feel comfortable entrusting us with their information and that we handle such information appropriately. In order to prevent accidents such as loss or leakage of important customer information, therefore, we strictly manage personal information in accordance with JISQ 15001.



PrivacyMark

■ Initiatives for the Suntory Sustainability Vision

Containers and Packaging

Initiatives based on the Suntory Group Plastic Policy

Recognizing our role as a supplier of commercial-use equipment, which tends to be consumed in particularly large quantities, we respond to the Suntory Group Plastic Policy by actively engaging in the following efforts to diminish environmental impact:

Reduce: Downsize plastic products

Reuse: Use recycled resources

Replace: Reconsider our use of conventional plastics, and their replacement with paper, bamboo, biomass plastics, etc.

Human Rights

Ensure fair and open evaluations

In order to perform fair personnel evaluations, we have established a system that evaluates both performance results and competencies (merit). While we naturally reward high achievers, we also evaluate employees based on their competencies (merit) to ensure that their talents are not buried in difficult environments where it is difficult to produce results. In order to make evaluations more transparent and satisfactory, we have also established a practice in which supervisors and subordinates meet regularly to set goals and receive feedback on their evaluations.

Initiatives to enhance employees' personal lives and work-life balance

We have a system in place to monitor computer usage time and other data to prevent inappropriate labor practices such as long working hours and unpaid overtime. We have various programs in place that contribute to employees' personal lives and future plans, including a housing subsidy program, leave and shortened working hours for childcare and nursing care, and a defined contribution pension plan. A total of 30 employees have taken childcare leave since the company's re-launch in 2016 as Suntory Marketing & Commerce Ltd.

Enriching Life

Promotion of volunteer activities

Our mission is to deliver high-quality beverage experiences to as many people as possible. For this reason, we want our employees to broaden their perspectives to encompass a wider range of people not limited to existing customers and potential customers from whom business is anticipated. We encourage their participation by informing them of opportunities for volunteer activity that are readily available in within the company. (However, as these are volunteer activities, the company will never force participation, nor will participation or non-participation affect the employee's evaluation.) For employees who wish to participate more actively in community welfare and volunteer activities, we offer a volunteer leave system to support their activities.

Suntory Publicity Service Ltd.

Head Office	3-2-24 Toyosu, Koto-ku, Tokyo 135-0061, (Toyosu Forecia 16F)
Established	March 1, 1983
Capital	¥100 million (fully-owned subsidiary of Suntory Holdings Limited)
Sales	¥6.356 billion (FY2021 consolidated)
Employees	2,643 (as of April 2022, includes contract employees and casual workers)
Business activities	Public relations and marketing support services for Suntory Group companies, services such as corporate PR, facilities and commercial facilities information, management and servicing of cultural facilities such as concert halls and museums, event planning and operation, call center operation, training and consulting, temporary staffing services, etc.
Website	https://www.sps.sgn.ne.jp/



Company Overview and Philosophy

Suntory Publicity Service Ltd. (SPS) provides high-quality, high-value-added services conducive to providing uplifting experiences for guests at Suntory's plants and at many concert halls and museums. SPS also provides general information services for commercial facilities, and for facilities under designated management belonging to public cultural facilities nationwide, as well as reception services for corporate museums. In recent years, we have further expanded our business into a wide range of areas, including education and training, facility management consulting, general administrative affairs, administrative office operation, event planning and management, and support for corporate social responsibility (CSR) activities. At SPS, our aim is to continue to contribute to society, the community, and industry.

Primary Sustainability Activities

■ Sustainability Management Promotion

Employees themselves created “OUR CREDO,” our service charter

In order to foster and pass on the hospitality mindset required for our service, we at SPS have our own service charter, “OUR CREDO,” consisting of three mottos and 18 standards. OUR CREDO is a document that clearly outlines our feelings and orientation for action as a service provider, written by the employees themselves in an easy-to-understand format accessible to everyone. All employees carry OUR CREDO with them at all times in order to apply the contents of this charter to their actual services.

In the service workplace in particular, each staff member shares the hospitality mindset by reflecting on examples of service and checking them against OUR CREDO during meetings.



Our service charter:
“OUR CREDO”

Promoting compliance activities

In order to build and implement a compliance system, we engage in information security, personal information management, measures to address prolonged working hours, and internal education on overall compliance (conducting group training, conducting e-learning, producing handbooks for education, and maintaining a compliance page on the company intranet). In addition, the Company conducts compliance awareness and education activities at each workplace.

■ Relations with Customers

Thorough management of customers' personal information

In accordance with the Personal Information Protection Law, we have created a personal information management ledger to manage personal information. In addition to reviewing the personal information management ledger once a year, we also review application formats and management rules for the personal information management ledger as needed.

Obtained ISO27001 (ISMS) certification in June 2018 (Scope of certification registration: site support and new business development for public cultural facilities through cultural happiness projects, as well as site support and new business development for music halls, theaters and museums through guest relations services).

Improving customer service quality setting staff ideal

We have formulated the customer service, service awareness, mindset and skills required of our staff into detailed and specific items, and conduct staff development and training in accordance with these items. Through role-playing and value-matching, we verify from various perspectives whether we are providing services that match the feelings of our customers. The actual customer service is also checked and verified based on the ideals.



Retrospective meetings are held.

Grasping customer perspectives and reflecting them in our operations

We conduct customer surveys from time to time at the facilities we are contracted to operate. Any complaints from customers are shared with all employees working at the facility, and efforts are made to improve the facility. In addition, employees working at each facility visit each other to put themselves in the client's shoes and check on the quality of service.

Checking on the visibility and clarity of product display content

In accordance with Suntory Group standards, we check the visual presentation of product packaging, labels and instruction manuals for criteria such as clarity of expression, text and image size, contrast between text and background color, and positioning.

■ Initiatives for the Suntory Sustainability Vision

Water

Implementing *Mizuiku* - Education Program for Nature and Water

Unique to Suntory, *Mizuiku* is a program to instill in the children who will lead the next generation the critical importance of water to humans, and the depth of our relationship with it, while nurturing their love of water and nature. Suntory Publicity Service Ltd. made a proposal to Suntory, and together we came up with the content we wanted to convey to children. Throughout the year, we are in charge of on-site classes at about 200 elementary schools and the Outdoor School of Forest and Water, an experiential nature education program.



Containers and Packaging

Adopting an environmental perspective in the products we sell

We have established standards for the environmental perspective we take when developing or handling new products, such as (1) not using environmentally hazardous materials in products or packaging materials, (2) applying a packaging material identification mark, and (3) not using excessive packaging. We also check the status of manufacturers' environmental initiatives.

Health

Enhancing correctives to prolonged working hours

In accordance with the Industrial Safety and Health Act, we have established a Health and Safety Committee to study and deliberate specific measures related to safety and health, and are working on measures against prolonged working hours as one of our priority activities. The content of reports made to the Health Committee are also reported to and discussed at Board of Directors conferences and other meetings to strengthen countermeasures.

For managers in particular, we regularly provide opportunities for training to educate them on the effects of prolonged working hours and their consequences. This helps them understand the importance of working hour management, thereby fostering awareness regarding the reduction of overwork and health management among employees.

Supporting health promotion and maintenance

We support health maintenance among our employees through participation in walking events and by encouraging the use of health apps. We have set up health consultation days for in-person and online consultation with occupational physicians and occupational health nurses. On health consultation days, consultations are held not only on physical health but also on mental health, to help with prevention and early-stage detection of mental and physical illnesses.

We have established a Mind-Body Consultation telephone service, a system that provides easy access to counseling services. We also incorporate self-care, member care, and line care programs into each type of training program in order to support employees' mental health care.

Human Rights

Relations with Business Partners

Compliance with the Subcontract Act

We have prepared explanatory materials on the Subcontract Act, as well as an order form template, and conduct periodic fact-finding surveys. For newly established departments, we hold briefings that include points to note when dealing with companies subject to the Subcontract Act, and confirm their compliance with the Act.

Conducting corporate investigations to confirm reliability

Whenever initiating new business dealings, Suntory Publicity Service Ltd. conducts a corporate investigation of the new partner, and also confirms the social standing and reliability of the partner by concluding a contract featuring a clause on the “exclusion of antisocial forces.”

We also regularly audit the manufacturing sites of suppliers to whom we outsource the development of food products and goods. This includes checking on quality control and environmental initiatives.

Relationship with Employees

Promoting work-life balance

We advance systems and operations with the aim of making ourselves a company and organization where employees with diverse values, work styles, and lifestyles can lead fulfilling daily lives both at work and in their private lives, and find their work to be rewarding. We support flexible work styles for our employees by introducing systems for maternity and childcare leave, compensatory time off, shortened and staggered working hours.

Implementing Telework and a Childcare Safety Net

We have introduced two programs, Telework and Childcare Safety Net (babysitting, etc.) in order to create an environment in which employees returning to work after childcare leave can balance career development with childrearing.

The Telework program facilitates work by employees not currently raising children by supporting work styles not restricted by location or time.

Ministry of Health, Labor and Welfare Certification Mark Obtained

"Eruboshi" certification for promotion of women's empowerment (Ministry of Health, Labor and Welfare)

In 2017, the Ministry of Health, Labor and Welfare (MHLW) awarded us the second stage of "Eruboshi" certification, which recognizes companies that excel in the promotion of women's advancement. SPS has also received certifications established by local governments for companies that promote active workplace participation by women. Moving forward, we will continue to improve our systems and environment to maintain a comfortable working environment for diverse employees including women.

- MHLW Eruboshi 2nd Stage certification

"Tomonin" certification recognizing promotion of a work environment facilitating a balance between work and nursing care

- MHLW Tomonin certification

Other municipal certifications

- Two-Star certification by Osaka City as a "Leading Company with Actively Participating Women," and as an "Ikumen Promotion Enterprise"
- Step-Two "Work-Life Balance Plus" certification by Sapporo City

Promoting diversity

Suntory Publicity Service Ltd. has adopted "Mutual Recognition of Diversity" as a company-wide policy, and we actively work to create a corporate culture and implement measures for the mutual recognition of diversity. Although 90% of our employees are women, we are also hiring more male employees and foreign nationals in consideration of the diversity of our customers and their values.

Employing Persons with Disabilities

Our employees with disabilities are active in a wide range of fields, including clerical work, merchandise sales, and visitor services at cultural facilities. We have set a company-wide target for the number of employees, and are working to hire people with disabilities in order to achieve and maintain the legally mandated employment ratio of 2.3%. As of the end of March 2022, the employment ratio was 2.6%.

In order to enable each employee to engage in work tailored to his or her aptitude, managers at each site nationwide are deepening their understanding of disabilities while minutely checking on the characteristics of on-site work, skills required, workload and other factors. They can then design tasks that enable employees to fully apply their abilities. They are also making every possible effort to provide for transportation to and from work.

New training programs support employee skill development

In addition to training at the time of hiring and common application-based training throughout the Suntory Group, we also provide position-specific training and career training. We actively promote self-learning, and have introduced correspondence courses and e-learning programs to provide opportunities for skill development tailored to individual challenges. To promote connections and learning among employees, we offer in-house seminars that provide opportunities for learning and dialogue that are useful in on-the-job training. We think of company-wide activities (conference organizations and projects) other than training as educational opportunities that lead to development of employees as human resources and in terms of their careers.

In addition, we have introduced a highly satisfying personnel evaluation system consisting of performance evaluations based on goal-setting, behavioral evaluations based on role expectations, and career interviews conducted by supervisors.

Enriching Life

Support during disasters

Public cultural facilities that we administer and operate as designated managers are visited by many people including local residents. For this reason, we regularly conduct disaster drills, first aid training, and automated external defibrillator (AED) training under the guidance of the competent fire department so that we can respond quickly and smoothly in the event of a disaster or emergency. Our head office has produced a major earthquake response manual, and conducts ongoing educational activities.



Conducting disaster drills

Activities contributing to local communities

As the designated manager of public facilities, we plan and develop cultural programs that make the most of each facility's attractions, and strive to provide services abounding in hospitality. In particular, we aim to operate facilities accessible to all and which will be loved for a long time to come through initiatives that promote and revitalize culture. These include programs that allow local residents themselves to participate in planning and operation, highly original projects for youth development, and outreach activities involving neighboring facilities, as well as a system for incorporating users' opinions into management.

· Music for everyone: barrier-free concerts

Yamato Cultural Creation Center SiRiUS, operated by SPS as its designated manager, holds Barrier-Free Concerts by artists active in Japan. In addition to providing programs that can be enjoyed by attendees of all ages from small children to the elderly, we also provide support for patrons with handicaps by introducing sign language interpreters and support systems for the hearing impaired, and by assigning service assistants to help patrons enjoy the performances. Aiming for a harmonious society where people respect each other's individuality, we continuously create opportunities for diverse people to enjoy concerts in the same space.



A performance



A sign language interpreter



Headphones for the hearing-impaired

Supporting development of the next generation

Suntory Publicity Service Ltd. is engaged in various activities to promote and support the potential and growth of children who will lead the next generation.

・ Professional Experiences

SPS enables local children to become familiar with culture and the arts by providing them with opportunities to experience work at public facilities that SPS operates as a designated manager.

At Yamagin Kenmin Hall (Yamagata Prefectural Cultural Arts Center), we hold “Parents and Children Join in! Work Experience Events for Parents and Children,” in which children can experience the work of a stage crew. Through hands-on experience, students learn the professional techniques that support performances, such as actually shining a spotlight on the stage and touching the sound equipment to produce sound from the speakers.



The Koganei Civic Center holds “Koganei Junior Correspondent” events for elementary and junior high school students in the city, in which they role-play as reporters and cover performances. The experience of producing reports using their own unique perspectives and expressive abilities motivates the children to learn new things.



Activities of Overseas Group Companies



Suntory Beverage & Food Europe

Plans management strategy and administer soft drink business primarily in Europe



Suntory Beverage & Food Asia Pacific

Production and sales of Health Supplements, Drinks, Food and Coffee



Pepsi Bottling Ventures LLC

Production and sales of PepsiCo's beverage brands



Beam Suntory Inc.

Manufacture and sale of whiskey and other spirits



Château Lagrange S.A.S.

Production and sales of wines



Weingut Robert Weil

Production and sales of wines



Toyota Suntory Midorie (Shanghai) Co., Ltd.

Manufacturing, sales and maintenance of environmental greening systems including Hana no Kabe, Mori no Kabe, and Midorie Design

Suntory Beverage & Food Europe

- Suntory Beverage & Food France
- Suntory Beverage & Food Great Britain and Ireland
- Suntory Beverage & Food Spain
- Suntory Beverage & Food EECM-BENELUX Export Markets and Belgium, Netherlands and Luxembourg

Suntory Beverage & Food Europe

Head Office	2 Longwalk Road, Stockley Park, Uxbridge UB111BA - UK
Business activities	Soft drinks production and sales
Website	https://www.suntorybeverageandfood-europe.com/



Core brands including:
Schweppes*, Orangina,
Lucozade, Ribena, La Casera,
Oasis*, Pulco, MayTea,
*Owned and commercialized
within SBFE respective
territories

Suntory Beverage & Food France

Head Office	52 boulevard du parc, 92200 Neuilly-sur-Seine - FRANCE
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Suntory Beverage & Food Great Britain and Ireland

Head Office	2 Longwalk Road, Stockley Park, Uxbridge UB111BA - UK
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Suntory Beverage & Food Spain

Head Office	Calle Mahonia, 2 5ª Planta , 28043 Madrid - SPAIN
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EECM-Benelux

Head Office	SIL Schweppes International Limited H.J.E.Wenckebachweg 123, 1096AM Amsterdam - THE NETHERLANDS
Head Office	SBFP Suntory Beverage & Food Poland, Al. Wyszogowa 6, 02-681 Warszawa - POLAND
Head Office	SBFB Suntory Beverage & Food Benelux, Rue du Cerf 127, 1332 Genval (Rixensart) - BELGIUM

Company Overview and Philosophy

■ Sustainable Growth with Purpose

Our environmental, social and corporate governance agenda is hugely important to us. We work towards the group's global vision of 'Growing for Good'; Doing the right thing by people and the planet as we produce, market and sell our drinks.

The sustainable work that we do is anchored by four key pillars; our resources, our drinks, our people and society, that all reinforce the UN's Sustainable Development Goals; a blueprint to achieve a better and more sustainable future for all.

By managing the impacts and issues in these areas through ambitious targets that are clear and measurable, and by forging leadership we seek to deliver harmony with our consumers, customers and with our own employees while respecting always our natural world. Our framework of responsibility and leadership will drive us forward, guide and inspire us. It will help make our ambitious and exciting vision of Growing for Good a reality.



Our Initiatives

Water

■ Respect water

Water is the main ingredient of all of our products and in many ways the origins of our business. It is also our Purpose as a business “*Mizu To Ikiru*” . That is why we believe we have a role to play in protecting this commodity, in encouraging sustainable water management for next generations.

We have an ambition to reduce water at our production plants by 20% by 2030 and we are on track to achieve this. We invest in a number of water reduction and water reuse initiatives across our factories, and share best practice in order to be as efficient in our water use as possible. Our factory in Toledo has made great progress and has already reduced water use by 5% as of 2017, with great ideas to reach 20% reduction within the next two years.

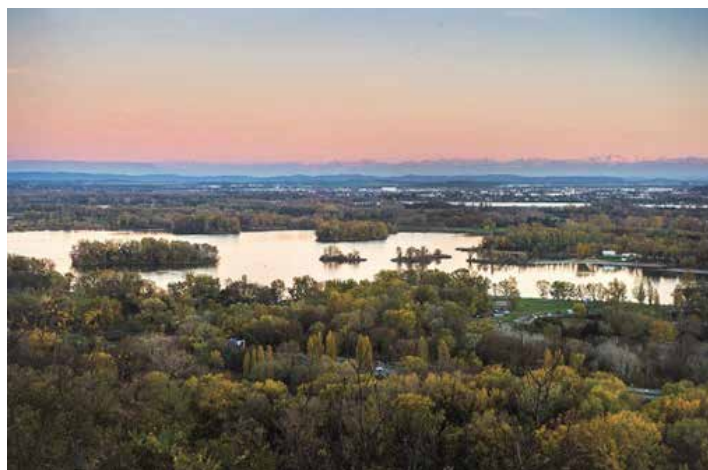
In January 2020, the UK invested £13million in a new high-speed filling line. This line uses 40% less energy and water and directly contributes to our goals of using less resources.

In Spain, our Guardians of Júcar project aims to improve the quality of surface waters, recover natural areas of the riverbank, contribute to the knowledge and improvement of aquatic ecosystems, eliminate invasive species on river banks and promote a public use of Natural spaces through two initiatives: the rehabilitation of the natural environment of the Barxeta Creek (which is already finished), and the improvement of the quality of the water thanks to the implementation of a green filter.

In the beginnings of 2022, the Spanish team has launched Guardianes del Tajo, its second Natural Water Sanctuary in Spain. On this occasion, the action will take place around the Guajaraz reservoir, one of the three reservoirs that provides water to the city of Toledo, where one of the main factories in Spain is located. The main objective of this project will be to improve the quality and quantity of the water the reservoir stores and raise awareness within the employees, key stakeholders and children by fostering volunteering campaigns and *Mizuiku* implementation (educational program for children boosted by Suntory).



In France, we have a 20-year partnership with Grand Parc Miribel Jonage located near our Meyzieu plant. It is the biggest metropolitan public protected park in France and we are committed to support water education programs, sponsor workshops for families enabling them to understand the role of water. Amongst other things, we are also helping them preserve and restore the alluvial forest around the Rhône river.



In the Netherlands Suntory has been sponsoring a project in the 'Marker Wadden' executed by the Dutch Society for Nature Conservation, that is restoring one of the largest freshwater lakes in western Europe by constructing islands, marshland and mud flats.

In the UK we will launch a water education programme for families called 'Water Wisdom' in 2022. Developed in association with environmental charity 'Severn Rivers Trust,' the aim of the programme is to conduct immersive experiences for consumers along the river, showing how to conserve and preserve our water systems for future generations to enjoy.



■ Reduce emissions

We are committed to tackling climate change and will do this by reducing our carbon emissions across our total value chain. We have set clear Science Based Targets to reduce our emissions by 50% from our production (scope 1&2) and 30% across our wider supply chain (scope 3). And we aim to achieve net-zero emissions by 2050. We are making good progress and we track our carbon footprint annually in order to ensure we are transparent in our reporting. In 2021 all of our factories and owned operations facilities that purchase electricity ensured that it came from renewable energy sources.

In France, fighting against global warming is one of our priorities. We have reduced our CO₂ emissions by 41% per litre of drink produced since 2015. Transportation represents 11% of our carbon footprint. We are optimizing the number and location of our warehouses in order to reduce distances travelled by our products. We are also working on improving our logistic flow and trying to reduce the number of empty trips made by trucks.

In Spain we are committed on Zero Emission for 100% of our fleet by 2030. In 2022 70% of the fleet is already Eco and Zero Emission. In January 2020 we started to source 50% of our electricity across our factories and offices from renewable sources managed through green, clean and renewable energy contracts and by 2021 this was 100%.

All these improvements, has helped Spain to reach 34% CO₂ emission reduction by 2020 (vs 2015)

In the UK 100% of our purchased energy at our factory comes from renewable sources. In January 2020, the UK invested £13million in a new high-speed filling line. This line uses 40% less energy and water and which results in a 4% reduction in energy use at our factory, directly contributing to our CO₂ reduction goal.

And all of our employees can support our goal to tackle climate change, and that includes how they get to work! We encourage cycling to work through subsidized 'cycle to work' funding schemes and in 2022 the UK offices will be installing electric charging points in the car parks to encourage employees to transition to electric vehicles.

Raw Ingredients

■ Procure sustainably

In 2019 SBFE became members of Sedex. As members of this global organization we aim to obtain deeper insights into the environmental and ethical performance of our suppliers. 91% of our raw ingredients and pack suppliers are affiliated to Sedex programme and process in order to enable SBFE to have a clear evaluation of our supplier portfolio sustainable risk and moreover to engage them into improvement plans. 60% of them have completed the full Sedex process including SMETA compliance. 17% of them are evaluated as low risk suppliers and we have zero suppliers sites with open critical non-compliance without any mitigation plan settled.

As a business that is reliant on the procurement of fruit for our soft drink brands we are concerned with global impact on biodiversity from climate change and non-sustainable farming practices.

In the UK, 90% of blackcurrants grown in Britain are used to make Ribena and we see it as our duty to produce the most sustainable crops possible. We employ a full-time agronomist and partner with the Farming & Wildlife Advisory Group so that each of our growers has a resilient biodiversity plan tailored to the individual habitats found in and around each farm. The comprehensive plans, in place since 2004, have helped us restore 200 miles of rough field margins, build more than 2,000 nest boxes, sow an area bigger than the City of London with pollen and nectar-rich plants, and create wetlands, restore ponds, plant woodlands and build bee hotels.

In Spain we work with local suppliers near manufacturing centers to promote the production and development of local areas. In addition, the contracts with the ingredients suppliers include environmental clauses with the commitment to protect the environment, reduce the carbon footprint, improve the water and energy consumption, as well as improve waste management. 23% of the fruit used as an ingredient can be found in less than 100 km from the production plant.

France is committed to sustainable purchasing for all its fruits. That is why, France has issued a guideline of good practices on sustainable sourcing that has been approved and signed by 100% of its partners.

Containers and Packaging

■ Less and better packaging

In September 2019 we announced our goal to be the first global drinks company to use 100% sustainable plastic bottles, using fully recycled or plant-based materials across our entire portfolio by 2030. By buying increasing amounts of recycled plastic, investing heavily in new, innovative technologies, we will ultimately reduce our plastic consumption and carbon emissions.

As an interim goal, our drinks containers will use 50% recycled plastic by 2025. Some of our drinks containers already use only 100% recycled plastic (rPET), for example Ribena in the UK which has been using recycled plastic for more than 10 years.

We will also be ensuring that all the packaging we produce is 100% recyclable by 2025 or sooner. That means that there will be changes to be made in the containers we use, and the packaging we put products in. For example in the UK the Ribena brand replaced all the plastic straws on its cartons with new paper straws, removing 16 tonnes of plastic.



In Spain our packaging in the off-trade is already 100% recyclable and we are working towards making it fully sustainable too. Other changes have been implemented for some brands as Sunny Delight, which has changed sports cap to flat cap, reducing the amount of plastic and the weight of the product, and therefore the carbon footprint.

In addition, all Schweppes has become 100% rPET and recyclable in May 2022 and La Casera will also reach 100% rPET by 2023. Replacing virgin plastic with 100% rPET in both brands will result in an annual reduction of 10,750 tonnes of CO₂ emissions from 2024 onwards.



In 2020 the Ribena brand made significant investment to move to 100% recyclable packaging, removing 200 tonnes of plastic annually by replacing the full plastic wrap sleeve from its bottles with smaller labels. In 2022 the Lucozade Sport brand will go through the same transformation, with a new partial sleeve and a move to 100% recycled plastic bottle content, excluding cap and label.

Examples of how we aim to reach our goals ahead of schedule is the Scandinavian regional activity with partners such as Spendrups in Sweden and Carlsberg in Denmark and Finland, where our brands contain a minimum of 25% but up to 100% or rPET since many years. They function as great examples and reassure us of our vision to work together with our bottlers to reach our ambitious targets.

In order to reach our sustainable plastic goal, in 2019 SBFE invested in Carbios, a company pioneering a bio-industrial solution to recycling PET using an enzymatic process. SBFE is part of a consortium that is funding this ground-breaking technology in order to progress to a mass-market solution that could dramatically reduce the volume of plastic waste and ensure that there is a circular economy solution for PET. In June 2021 we launched the prototype of the first Orangina bottle to be made from enzymatic recycling, a world's first, and then in September 2021 Carbios launched its industrial demonstration plant for its unique enzymatic recycling technology, a chance to showcase this unique technology to the world.

Supporting the recycling process also means encouraging our consumers to recycle more. Our leading brands continue to invest in marketing campaigns to convey these important sustainability messages. We also supported industry-wide efforts for mass-market public campaigns.

In the UK in 2021 we ran out of home and digital advertising during Recycle Week across Lucozade Energy, Lucozade Sport and Ribena, as well as using our brand's well-known ambassadors to maximise reach and drive the recycling message home. And in France we showcased the sustainability messaging of MayTea through national advertising as well as promotional advertising and merchandising in store.

Health

■ Less Sugar

By 2025 it is our ambition to have reduced added sugar across our portfolio by 35%.

We have become a founding signatory of the new EU Code of Conduct on Responsible Food Business and Marketing Practices in 2021. Our commitments towards reformulation of our drinks, food waste reduction and the creation of sustainable packaging fully support the EU's objective to place healthier products on the market and to support the transition towards a circular economy.

We are making excellent progress and by the end of 2021 have already delivered a 23% reduction from our baseline set in 2015. As well as re-formulating our drinks to lower the sugar content we are also putting investment behind our lower-calorie brand such as Lucozade Zero in the UK.

In Spain we have managed to reduce the sugar in our drinks by 42% (vs 2015) and we have also introduced low calorie Schweppes Lemon, Orange, Pink, Ginger Ale, and recently/in 2022 also Agrum and Tonic Lemon. These drinks are widely distributed and are available in 98% of retail points.



In the UK and Ireland we've reduced sugar across our core drink range by 57%, removing 25,000 tonnes of sugar and 98BN calories through a far-reaching reformulation programme. We've been bold with our decisions on our most famous drinks, introducing a zero or low-calorie alternative for each one of them. In 2021, the total reduction of sugar was - 24% compared to 2006 on Oasis in France, without using sweeteners. All the recipes of the brand are renovated with less sugar and no sweetener while still retaining a delicious taste that consumers know and love!

Across all European Export and Commercial Markets, the amount of sugar added to our beverages was reduced by 6%, (in 2021) driven by increased popularity of our low-calorie Schweppes Pink flavor and a continuous improvement of our current portfolio. Suntory Beverage & Food Poland is currently moving towards a low-calorie portfolio, reducing its sugar footprint by 35% (vs 2015).



■ Positive Choices

We pride ourselves on providing consumers with easy-to-access nutritional information about the drinks they choose. Information is clearly displayed on all labels and on websites. We also collaborate with industry partners to promote responsible marketing of our drinks. We are a signatory to UNESDA's responsible marketing in schools programme and have pledged that none of our drinks are sold at primary schools, and drinks containing sugar are restricted for sale at secondary schools across all EU member states.

The UK has created its own voluntary marketing code to ensure that responsible corporate citizenship is at the heart of everything we do. This includes our commitment not to directly market products categorised as high in fat, sugar and salt ("HFSS") to consumers who are under the age of 16, and under the age of 18 in Ireland.

In France, we volunteered in 2009 to not communicate on screens and in magazines aimed specifically at children under the age of 12-year-old. Since 2013, our commitments go further because we prohibit all advertising in generalist programmes where children constitute more than 35% of the audience.

In Spain our code of marketing practice specifically states that we do not advertise to children under 12 years of age or sponsor events aimed at children in schools. We also convey messages in all our advertising campaigns promoting healthy lifestyle habits.

■ More Natural

We continue to look at new ways to promote naturalness through our drinks and have an ambition to reduce artificial colours and flavours across our product portfolio.

We respond to the consumer necessities with more natural products by replacing additives and free sugars with other components such as natural sweeteners (stevia), or through manufacturing processes so that the final product is less artificial as possible: Schweppes PINK available in Spain is a great example.

Human Rights

■ Inclusive and flexible

People matter. We are encouraging and fostering a healthy lifestyle for our employees. The Covid-19 pandemic has challenged our traditional views of home and office working, and we have adapted to the needs of our employees. Following extensive employee consultation we put in place a new SBFE wide flexible working policy, that has been adopted by our local markets in 2021. This new flexible style of working has been welcomed by our employees, enabled by investments in technology and new systems, and supported by our people and culture team to ensure that everyone can adapt to the new ways of working at their own pace.

■ Diversity, Equity and Inclusion

We know that diversity, equity and inclusion (DE&I) is a hugely important issue, and one that many people throughout our organisation care deeply about.

DE&I is about the composition of our workforce and supply chain – in relation to characteristics such as gender, ethnicity, age, disability, social background and much more. It is also crucially about the experience people have within our organisation – the pathways to progression, the working culture, the openness to new ideas and ways of doing things, and the flexibility we offer.

We were determined to make 2020 a year of action on DE&I – because we know that as an organisation there is much more we can and should do. And since then we've been making progress on developing strategies and actions to foster a more diverse and inclusive workforce and workplace. In 2020, led by the CEO, SBFE set up a new employee D&I taskforce. The taskforce is made up of 70 individuals across our entire region representing all functions and levels of the organization. The taskforce has been instrumental in helping us identify key issues, risks and opportunities, and they provide a forum where we can talk openly about the challenges facing our people and our business today. In 2021 we launched our global DE&I framework at Suntory Holdings and SBFE carries this right through to all levels of our organization. At the end of 2021 our Executive Leadership team underwent DE&I training and this training will be extended across the wider organization from 2022 onwards.

■ Accountable for our value chain

Building trust means challenging ours and others' perceptions of acceptable behaviour and always acting with respect for others. Our Modern Slavery Act statement sets out the steps we have taken and will continue to take to ensure that modern slavery and human trafficking are not taking place within our business or supply chains. Together with the Sedex assessment, we aim to have more scrutiny and transparency throughout the supply chain, holding ourselves and others to the highest standards. This includes mandatory training for employees who have responsibility for supplier interactions and purchasing.

■ Ethical employer

At the heart of our Suntory values is a commitment to working with integrity and we take great pride in our reputation for always conducting business in an honest, open and fair way. That is why we are training our employees on compliance and other topics in order to ensure that everyone understands relevant laws and responsibilities.

In 2021 all employees in the UK completed anti-bribery and corruption training, as well as more specialized training on modern slavery for a number of our employees across sales and supply chain.

Spain is carrying out a process of changing the culture of prevention by seeking to improve the Health and Safety of its employees, focusing on the visible commitment of all hierarchical levels and the participation of all employees. This process is reflected in projects such as Vision ZERO, Road Safety Plan, Training in First Aid which also have an impact on society.

France has rolled out a training called "Play Safe" around how to behave in the face of risks making sure everyone is the guarantor of its security.

Enriching Life

■ Empowering communities

In France, we are partnering with associations that have a positive impact on the environment, people and communities. Ishpingo fights against deforestation in the Amazonian forest, Planète urgence sets up solidarity leaves to protect the environment and support the development of local communities, Secours populaire français acts against poverty and exclusion and AFEV fights against school dropout. In 2021, we have raised nearly 260 000€ for Le Secours populaire français with our brand Oasis and our retail and out-of-home clients. We have also decided to finance one day of volunteering per year on working time. We are partnering with Vendredi association to facilitate the connection with associations employees want to engage with in less than 3 clics.

In the UK in 2018 we launched B Active, a three-year sport for development programme that uses the power of sport and exercise to forge career pathways and positively impact the lives of 16-24-year olds living in communities that need it most. Across a three year period B Active has:

- Helped the development of 10,703 young adults in five UK cities
- Helped 3,699 young people volunteer in their community
- Awarded 2,312 young people with accreditation in vocationally recognised qualifications
- Boosted motivation as 94% said B Active had been a positive turning point in their lives and 74% thought they had greater career opportunities because of their participation

The programme was independently evaluated by academics from Leeds Beckett University, and the findings and recommendations published in 2021. Following the recommendations, a new mentoring programme was launched called 'Coach the Coaches' a peer based coaching programme run by youth mentoring and life skills training platform Apprentice Nation.

In Spain, we encourage and give our people the opportunity to make financial donations to some Non-Governmental Organizations. We inspire some Suntorians to be part of The “CONNECTING LINKS” volunteering. This programme aims to promote generational learning and generate lasting relationships (3 months minimum) between the volunteer and the grandparent. The volunteer's involvement consists of making a half-hour phone call per week to the person with whom he or she is the best match (previously a matching is made between profiles to select the most similar ones and thus make the conversation easier). This forms a part of our core sustainability strategy to build closer connections with our communities and to give back to society.

Purposeful brands

Our Growing for Good vision drives our company and our brands to create purposeful collaborations in an authentic way. An example of this is our latest partnership between Apprentice Nation and our Lucozade brand. Lucozade is working with Apprentice Nation to create a new curriculum pillar on the platform called ‘Unlock Your Potential’, featuring online learning content to help disadvantaged young people across the UK build confidence and develop skills for life and work. As well as providing mentors to the platform, Lucozade will also be holding events and work experience opportunities exclusively for Apprentice Nation participants. We believe that while potential is universal, opportunity isn’t and so through this partnership we hope to highlight career opportunities and provide meaningful training for young adults from underrepresented communities.

■ Giving Back to Society

Throughout the COVID-19 crisis our teams have shown generosity and humble determination to get our drinks to those who need them most. From hospitals to food banks, care home to crisis homeless centres, paramedics to police, we’ve ensured that they’ve all had the refreshment, hydration and energy boost to help them get through the day. Since the start of lockdown we have delivered nearly 2 million drinks to the frontline – thank you! As well as donating drinks, our team in France has supported healthcare frontline workers with donations of personal protective equipment (PPE) which we usually use in our factories. With global shortages of this vital protective clothing we are happy to support in this time of need.

The generosity of our employees is incredible. Spanish employees were given the opportunity to contribute to 3 special projects which aimed to collect money to support the crisis and the most vulnerable people. The payment was managed by discounting the money donated from the employees’ payroll. Save the Children, UNICEF and CRUZ ROJA RESPONDE received nearly 8000 euros from employees. In France, they have launched an internal CSR web platform to donate to partner NGOs such as Secours Populaire, a nationwide association that helps the most deprived individuals.



Other Sustainability Initiatives

■ Less waste

It is our ambition to be zero waste to landfill from our production facilities and we are making good progress to achieve this. We also want to see waste eliminated across the entire value chain. We believe that a circular economy is the best way to eliminate waste and we can play our part by increasing the amount of recycled content we put into our packaging – for example the UK produces Ribena bottles using 100% recycled plastic and in 2021 MayTea and small format Pulco also started using 100% rPET.

We also have an ambition to reduce food waste from our production by 50% in support of Sustainable Development Goal 12.3. We do this by redirecting surplus product to food surplus organisations and charitable donations to support those vulnerable people in need who suffer from food poverty.

Educating our employees on reducing waste is a big part of what we do. In Benelux, we launched a Green Week (7 days, 7 workshops). We worked together on zero waste practices, less packaging tips, better local and veggie consumption, we did a plogging around the lake near our office and collected more than 45 full bags of trash in an hour. All 120 Benelux employees participated at least once to this event.

In the UK, we also launched our own anti-litter campaign called Love Your Forest in the Forest of Dean where our factory and many colleagues reside. Over the past six years, the campaign has engaged 15,000 residents on the issue of littering and recycling, including 120 community events and delivered on-the-go recycling infrastructure in the area. The campaign was one of the UK's first rural anti-littering campaigns, and has since become a blueprint for other local authorities across the country looking to encourage positive behavioural changes around littering and recycling in rural environments.

Suntory Beverage & Food Asia Pacific

- Suntory Beverage & Food Thailand
- Suntory PepsiCo Vietnam Beverage
- Suntory PepsiCo Beverage Thailand
- Suntory Garuda Group
- Frucor Suntory Group

Suntory Beverage & Food Asia Pacific (SBFAP)

Head Office	18 Cross Street, #12-01/08, Cross Street Exchange, Singapore 048423
Established	SBFAP, a fully owned subsidiary of Suntory Beverage and Food Ltd., is the APAC headquarters managing 2 product categories – Beverage and Health Enrichment, with many brands in leading positions in their respective national markets.
Business activities	Production and sales of Beverage and Health Enrichment products in Asia Pacific
Website	https://suntorybeverageandfood-apac.com/



Suntory Beverage & Food Thailand (SBFT)

Head Office	17th Floor, Kian Gwan Building 2, 140/1 Wireless Road Lumpinee, Patumwan, Bangkok 10330
Website	https://www.brandsworld.co.th/

Suntory PepsiCo Vietnam Beverage (SPVB)

Head Office	5/F, Sheraton Saigon Hotel & Towers 88 Dong Khoi Street, District 1 Ho Chi Minh City, Vietnam
Website	https://www.suntorypepsico.vn/en

Suntory PepsiCo Beverage Thailand (SPBT)

Head Office	9th Floor, 622 Emporium Tower, Sukhumvit Road, Klongton, Klongtoey, Bangkok 10110, Thailand
Website	https://www.suntorypepsico.co.th/

Suntory Garuda Group (SGB)

Head Office	Jl.R.A.Kartini – Kav.8 Cilandak Barat, Jakarta Selatan, Indonesia
Website	https://www.suntorygaruda.com/

Frucor Suntory Group

Head Office	86 Plunket Ave, Manukau City, Auckland 2104, New Zealand
Website	https://www.frucorsuntory.com/

Company Overview and Philosophy

SBFAP's sustainability strategy

SBFAP

At SBFAP, we aim to be in harmony with nature and society to achieve long-term sustainable growth. It is our priority to accelerate sustainability management and contributions to local societies.

We look towards Growing for Good with our people and our values. Whilst striving to deliver the highest quality products and services to our customers, we also make every effort to contribute to the fruitful development of culture, lifestyles and a global sustainable environment.

SBFAP believes in fostering valuable relationships with consumers, partners, employees and communities to achieve a sustainable balance between People, Planet & Profit.

Frucor Suntory

Established over sixty years ago, Frucor Suntory is a leading beverage manufacturer across the Oceania region, employing over 1200 people across our Commercial offices (Auckland, Sydney), two manufacturing sites in New Zealand (Auckland, Napier) and 5 DCs across the region (Auckland Brisbane, Sydney, Melbourne, Perth)

We are united by our hunger to make drinks better - we manufacture, market and distribute over 20 brands, including V Energy, BOSS Coffee, Maximus, NZ Natural and Simply Squeezed.

In New Zealand we have a long standing partnerships with PepsiCo and Sanitarium, offering end to end solutions for their fantastic range of beverages, including Pepsi Max, Gatorade and Rockstar.

Code of Ethical Conduct

SBFAP has set high standards for corporate governance, as should any responsible company. We strive for transparency of corporate management strategy for our stakeholders. We fully comply with corporate governance laws, and our business is guided by a Management Team with diverse and extensive business experience. In line with our Anti-Bribery & Corruption and Conflict of Interest Policies, all employees went through a training session to help them understand the importance of accountability in their actions. The policies serve as a guidance for our employees in terms of day-to-day decision making.

Quality Assurance

SBFAP established its Group Quality & Regulatory Affairs department as part of our efforts to become a best practice company. The mission of the department is to offer the best products and services, compliant with relevant laws and regulations, to our customers and consumers throughout the entire product value chain: from research, planning, development, procurement, registration, production, distribution, sales until the moment of consumption. This is in line with SBFAP's company promise, mission and vision, and guided by principles, policies and standards for ensuring consistency across the group. These principles, policies and standards focus on the following areas:

- Customer Focus
- Enhanced Innovation
- Risk Management
- Essence of Lean, Clean & Green
- Brand Image & Reputation Protection
- Ownership, Shared Responsibility & Accountability
- Strategic Partnership

Working together with the various functions and management levels of the supply chain, the Group Quality & Regulatory Affairs department enacts mechanisms and structures related to quality management. This helps to ensure cross-functional quality excellence throughout the Group, for better organization and quality management.

■ Our Initiatives

Frucor Suntory: 2030 Sustainability Goals

Like our parent company Suntory, we've set ourselves ambitious targets to make sure our business is fit for the future. We are actively working towards achieving these five key goals by 2030:

- Reduce CO₂ emissions by 35%
- Zero waste to landfill
- All packaging to be recyclable by 2030
- Reduce water usage by 20%
- One in three drinks we sell to be low to no sugar

Water

Suntory Beverage and Food Thailand (SBFT): SBFT conducts *Mizuiku* program “Save the Water to Save the World”

In 2021, SBFT have continued to increase environmental sustainability efforts by working with the Center for Environmental Studies Thailand (EEC Thailand), along with the company's volunteer employees, to conduct *Mizuiku* – Nature and Water Education Program for youth in Phuket community to convey knowledge of water conservation, cultivate awareness, and inspire local children through various activities under the concept of “Save the Water to Save the World”. SBFT has built a good platform for encouraging local children to have awareness of environmental conservation, which was achieved by gathering knowledge from Suntory and EEC, and then teaching the local children in Phuket. During the program, water-conservation knowledge together with stories about marine resources and conservation guidelines were shared with the children. These stories cover the importance, benefits, and threat of water; origin and functions of headwater that give abundance to ecological systems on land and in the sea; waste management; and value creation for waste, along with beach cleaning and DIY waste workshop. Children were encouraged to apply knowledge gained from participating in the activities, and to share it with their friends and families, and extend the knowledge to achieve sustainable water conservation for the better future.



Participants of *Mizuiku* Education Program



Learning about water conservation in an outdoor classroom

Suntory PepsiCo Vietnam Beverage (SPVB): Launching the “Million Trees – For A Green Vietnam” Program 2021

SPVB and Quang Ngai Provincial Youth Union held a launching ceremony and planted more than 6600 trees in nearly 5.5 hectares of forests in Minh Long District, Quang Ngai Province in Vietnam in 2021. This program is part of the framework of the “Million trees – For a green Vietnam” program. After 5 months of launching, the program “Million green trees – For a green Vietnam” has accomplished many feats, including planting and taking care of 30,000 new trees in watershed areas at Quang Nam and Quang Ngai forest, and attracting participation from society. Supporting activities such as the “Green Commitment” campaign has encouraged 28,407 registrations and 18,876 participants for “Green Action”, while the “Million green trees” photo contest has attracted 2,419 submission, reaching more than 10 million people, with thousands of share and engagement, and communication activities were widely deployed on social platforms with 3,216 news posts on the province-level fan page and 219,878 news posts on district-level fan page, attracting over 25 million reaches, all of which were effective in attracting more participation from society. The series of closing activities of the program have been organized in a meaningful and practical way to explore the PoMu forest, plant more trees and give gifts to the minority and indigenous people in Quang Nam Province.



Launch of “Million trees – For a green Vietnam” program in 2021

Suntory PepsiCo Vietnam Beverage (SPVB): Launch of educational program for children to learn about water conservation 2021

SPVB together with Central Council of Young Pioneer Organization launched an educational content of the program “*Mizuiku* – I love clean water”, where a 2D cartoon about water resource preservation was created for children in Vietnam. There were a total of five episodes produced which consisted of five interesting adventures, replicating the message of protecting water resource in a new yet friendly way for children in Vietnam. Subsequently, full episodes with Bi-lingual subtitles were uploaded on the Youtube Channel of Vietnamese Children and *Mizuiku* for many more generations of children to watch and learn. SPVB hopes this educational content will spread the environmental message to society. The *Mizuiku* program conducted by SPVB in Vietnam continues to be a successful program in educating children about water conservation.



2D cartoon on water resource prevention launched for children in Vietnam (“*Mizuiku* – I love clean water”)

Suntory PepsiCo Beverage Thailand (SPBT): National River & Canal Conservation and Development Day 2022

SPBT continues its water resources conservation commitment by teaming up with the Department of Water Resources, the Ministry of Natural Resources and Environment, to serve as an official partner of the National River & Canal Conservation and Development Day 2022 project, which will be held under the theme “Action for the River” aimed at raising awareness about the importance of natural water resources so that youths, general public, public and private sectors become mindful about water resources conservation. There are three main activities, comprising a virtual exhibition; a hybrid knowledge sharing academic seminar, featuring a range of honorary keynote speakers who share their knowledge on natural resources conservation with participants; and a viral clip contest and photo contest under the theme “Action for the River” where well-respected experts and national academics in sustainable natural water resources conservation and education serve on the judging panel. The contest is expected to serve as an ideation stage for interested people and enthusiastic students to present their works and practical ideas for sustainable water resources conservation in a creative manner.



Launch of “National River & Canal Conservation and Development Day 2022” Under the Theme “Action for the River”

**Suntory PepsiCo Beverage Thailand (SPBT):
Concluding another successful *Mizuiku* Program: Youth Water Education**

SPBT together with the Department of Water Resources, the Department of Environmental Quality Promotion, the Ministry of Natural Resources and Environment, the Office of the Basic Education Commission, the Primary Education Area Office, the Ministry of Education, and social and environmental development advocacy group “Klong Wises” announced the accomplishment of the “*Mizuiku* 2021 Program: Youth Water Education”, which saw more than 6,000 students nationwide participating in the water resources management program. The program was a successful water conservation education project, which received an overwhelming response from all relevant agencies and stakeholders, especially good feedback from 260 schools in Bangkok, Ayutthaya, Nakhon Pathom, Saraburi, and Pathum Thani. The project provided knowledge on natural water resources conservation and how to take care of the environment for 6,065 Thai youths through a range of nature-inspired, thought-provoking activities. A further 228 teachers participated in a training program on how to educate integrated water resources management. SPBT remains committed to continuing the “*Mizuiku* Program: Youth Water Education” to extensively reach out to schools nationwide so that Thai youths and students will grow up to become “responsible citizens that care about the environment” and acknowledge the value of water resources and use the water for the highest benefits. SPBT is always ready to pass on knowledge, philosophy, and share experience obtained from participating in the *Mizuiku* program to families and communities as it is part of a collaborative effort to take care of the natural resources and the environment in a sustainable manner.



Prize presentation award ceremony for “*Mizuiku* Program: Youth Water Education”

Suntory PepsiCo Beverage Thailand (SPBT): SPBT Watershed Conservation Project in Chiang Mai Province

In 2021, SPBT partnered with Raks Thai Foundation to conserve water resources and the environment and rehabilitate the watershed forests by constructing check dams, planting trees & vetiver grass, seedlings, and firebreak lines that have encroached and degraded forests in Mae Chaem District, Chiang Mai Province. This helped elevate the quality of life for people in the area by improving water quality, access to clean water, and fire prevention, as it creates awareness to protect the environment. Over 100 employees and villagers from Baan Huay Pak Kood villagers took part in check dam construction and restoration project, which are significant to the ecosystem of the forest and will help slow water flow and conserve a higher hydration level, thus decreasing the chance of forest fires. Since 2019, SPBT has practiced its corporate philosophy of '*Mizu To Ikiru*' or 'Living with Water'. The following have been accomplished since 2019:

- Implemented the Train the Trainer Water Program for 152 teachers in 76 schools, which shares the element with more than 6,080 students in 3 provinces.
- Hosted Youth Camps and Water Detective Activity for 1,054 school children to raise their awareness on the importance of water resources.
- Reforestation of 700 rai, Vetiver Grass Planting of 100 rai, and 25 km. of natural forest firebreak line in vulnerable areas; along with construction of 1,166 check dams in the watershed forest area of the Mae Suk River basin, Mae Chaem District, Chiang Mai.
- Provide water supply systems and water filtration systems for 4 hilltribe communities in Mae Suk Sub-District, Mae Chaem District, Chiang Mai Province. It has helped to improve the quality of life for the communities in terms of access to clean water.”



Volunteers taking part in the Watershed Conservation Project

Suntory Garuda Beverage (SGB): Providing clean water access to the local community

SGB is committed to preserving water through various water conservation programs, education, and providing access to clean water for the community. In 2021, SGB rolled out an initiative across their factories to provide clean water access to community nearby our factories. For example, in Landasan Ulin Selatan, Banjarbaru, South Kalimantan, SGB revitalized 12 wells for 370 families, giving them access to approximately 270,000 litre of clean water every month. The revitalization includes re-drilling wells, replacing water pumps, as well as making branch channels to channel clean water to people's homes. In Pekanbaru, Sumatera, SGB built *Mizuiku* Booth contributes 45,000 liters of water every month for the community nearby. And, in Bogor, West Java, SGB supports the community in sustaining the access to clean water by planting trees and sorting out waste responsibly. In Pati, Central Java, SGB supports government program to plant 6,000 mangrove trees to help prevent abrasion and restore coastal ecosystems. SGB is hopeful that these initiatives can help improve the welfare of the community and that all residents can save water together by taking care of the existing water access and water conservation facilities.



Providing clean water access to local communities



Planting mangrove trees to restore coastal ecosystems

Suntory Garuda Beverage (SGB): Educating students with the 2021 *Mizuiku* program

Despite the pandemic, SGB continued to develop *Mizuiku* learning modules in an online format, so the modules can still be used by teachers and students when learning from home. The learning materials included some *Mizuiku* modules in video format, the Mizu Adventure application and the Mizu-Town website. Through the Mizu Adventure app, children can learn about clean water and how to preserve it in simple ways in a fun environment. The game is also available in the form of board games for teachers to educate children when they return to school. SGB also initiated the Mizu Project: The Competition on Innovation of Water Conservation. 24 elementary schools from six areas across Indonesia took part in the competition for 4-5 weeks, and the 5 winners of Mizu project managed to save more than 5,500 liters of water. In 2022, *Mizuiku* inaugurated 700 new *Mizuiku* squad members, who are selected students that will demonstrate water conservation both at school and at home, and actively encourage their friends to participate in environmental protection activities. The 2021 *Mizuiku* program also trained more than 780 teachers, with aims to improve water and environmental conservation teaching skills. Together with schools and community, *Mizuiku* also planted at least 1,100 trees which was a key step to conserve water and preserve the environment.

SGB also worked with the Indonesian Ministry of Environment and Forestry (KLHK) to inaugurate the first greenhouse facility at a *Mizuiku* School. The inauguration as part of *Mizuiku* 2021 programs, was also to celebrate World Water Week. The Greenhouse facility pilot project for environmental learning facilities for elementary school students is an extraordinary initiative that will enable children to learn about different kinds of plants and their characteristics. In addition, they will learn how to plant and take care of them, the importance of irrigation, and how to adopt water-saving lifestyle by reducing, reusing, and recycling water. Learning zones constructed into the greenhouse, includes the nutrition zone for organic compost production and literacy zone that educates on plants data. Student activities have also been planned to focus on the edible garden; vegetable seeding zone; plant cultivation zone; water reuse system; as well as a zone for making bio pore holes around the greenhouse.



Various online *Mizuiku* learning modules



Children learning at the first greenhouse facility at a *Mizuiku* School

Frucor Suntory: Using water thoughtfully

Water preservation is a key priority of our 2030 Sustainability Goals, as we aim to reduce our water usage by 20% from our 2017 baseline. Following years of improvements in our water efficiency, we are proud to share that we have reached our water savings target nine years ahead of schedule by reducing our water usage by 23% in 2021.

This includes installing a new air rinser on one can line to reduce the amount of water we use to make each litre of finished product. So far, it has helped us save more than 12 million litres of water – the equivalent of five Olympic swimming pools. The success of our air rinser inspired our teams to trial new creative ideas, including burst rinsing by turning our water supply off and on to achieve similar results with less water, and diverting rinse water from our drains to cooling towers that evaporate water and cool down our plants.

We're now challenging ourselves to go even further with our water savings by updating our 2030 water goal to a 33% reduction of water from our 2015 baseline and our 2050 target to a 50% reduction from our 2015 baseline. Last year demonstrated that our ambitious targets are achievable when we work together to find clever solutions to save, reclaim and re-use water.



New Air Rinser at our Wiri Factory, Auckland

Frucor Suntory: Helping to restore our backyard

Behind our distribution centre in Wiri runs a section of the Puhinui Stream. Te Puhinui is a catchment in South Auckland nested within Te Manuka and Manukau Harbour with a rich geological, ecological and human history. Through the urbanisation of South Auckland, the catchment has undergone significant change.

In 2021, we started a new agreement with Auckland Council to help restore the section of the Puhinui Stream in our own backyard. This partnership demonstrates our Suntory commitment of “*Mizu To Ikiru*” , which translates to “living with water” by ensuring the health of our neighbouring ecosystem.

Each year, we organise regular waste walks along the stream and walkways to collect and dispose of litter, planting days to improve water quality, and scheduled weeding of the area to support plant growth. Planting native trees encourages new wildlife, provides food sources and shelter, and helps prevent erosion of stream banks and silt build-up downstream. It also makes the area a more pleasant space for the community to enjoy.

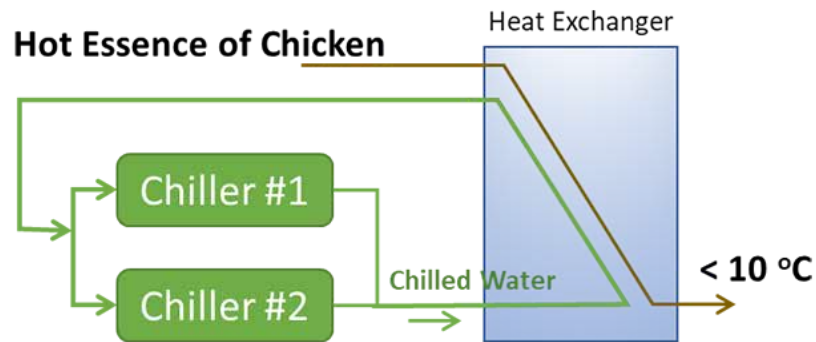
Shortly after signing the agreement, our first team of enthusiastic volunteers known as the “Stream Team” swapped laptops for spades and gloves, collecting more than 50kg of waste and planting 600 native trees along the local waterway. We will continue to work closely with the Puhinui Stream restoration team for scheduled weeding of the area to support plant growth and help make the stream a clean, healthy and vibrant space for the Manukau community to enjoy.



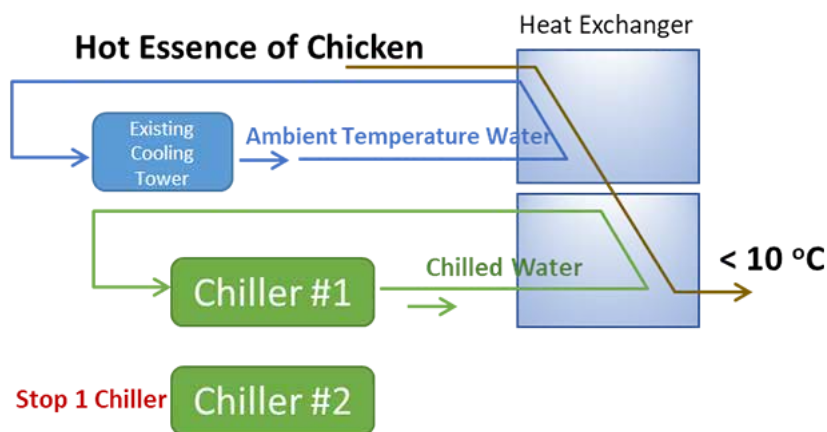
Planting trees close to the Puhinui Stream, Auckland

Suntory Beverage & Food Thailand (SBFT): Reducing chilled water consumption during production process

Previously, SBFT required the use of 2 chillers during the production of Essence of Chicken products. Thus, to reduce chilled water consumption during production, SBFT decided to reduce the product temperature by using ambient water temperature in the first stage and then using chilled water to further cool down the temperature in the second stage. This is an improvement from before, where two chillers had to be used to cool the product. Such improvement has resulted in substantial reductions of GHG emissions of 290,143 kg.CO₂/year and has saved over 476,190k kWh/year of electricity needed for the chillers.



Old production process



New production process

Suntory Garuda Beverage (SGB): Reducing our impact of climate change

In order to reduce the potential danger of global warming and create harmonization in the structural sustainable development from an environmental perspective, SGB have installed an absorption chiller in the factory since 2019 where the energy from engine exhaust gas is converted into a chiller, which can be used as air conditioner, as well as replace the air conditioning system. This initiative has succeeded in reducing 2 scope 1 emissions, namely from activities owned and controlled by our organization, by more than 117 tons per year.

Adding to this, Biomass Boilers are an alternative to environmentally friendly technology, where the energy produced comes from renewable natural sources in the form of biological elements such as dead organisms or living plants. The initiative that has been carried out since 2011 is now gradually being rolled out in all SGB factories to contribute to the reduction of the impact of climate change.



An absorption chiller and biomass boilers were installed to reduce the impact of climate change

Frucor Suntory: Filling the space to reduce carbon emissions

A large part of our business requires transporting products to customers by road, sea, air and rail. This means we're constantly evaluating how we can reduce the role freight has in ensuring we meet our 2030 target to reduce CO₂ emissions by 35%, without compromising on delivery time or quality.

Some of our products are shipped in bulk using large 40-foot containers. We double stack pallets using Astron slip sheets, which are lightweight and made of recyclable material. This helps us reduce the weight of containers but also conserves space. Despite this, approximately two tonnes of space remains in the top of our containers suitable for lightweight stow products.

It was important for us to find a more efficient way and reduce CO₂ per tonne by tackling this wasted space. In 2019, we started trialling a new coshipping initiative with our third-party logistics provider Sorted Logistics to work with other FMCG companies to share our container space and reduce our carbon emissions from transportation.

What once was empty space is now being used to ship light-weight goods such as meat trays and toilet paper from Auckland to Christchurch. Last year alone, 1030 of our containers were co-packed with these additional goods. This initiative has been an incredible success and we've saved over 95 tonnes of CO₂ since we partnered with our co-pack partners in 2019. Our new partnership will continue with Sorted Logistics as we focus on further efficiencies we can make to our trans-Tasman shipping and ensure no space is left unused.



Auckland Distribution centre where our pallets are wrapped ready to ship to customers across Oceania

Raw Ingredients

Suntory Garuda Beverage (SGB): Supporting Local Farmers and Vendors in Indonesia

SGB is supporting local vendors to bring the goodness and uniqueness of tea for Indonesian consumers. As of 2022, SGB has managed to approve two plantations to produce tea for Mountea and MYTEA. with plans to develop the third plantation and tea factory with the same local vendor. Since 2021, SGB started to collaborate with PT Perkebunan Nusantara VIII, a state-owned Indonesian agricultural company, at Rancabolang plantation, for the cultivation and processing of tea with its own plantations and factories at locations in Central Java. SGB takes pride in supporting local farmers to develop tea with a standard that empowers them to create their presence for export market.

Besides tea, SGB also supports local coconut farmers in Indonesia to get nata de coco with the best quality, which is produced by the fermentation of coconut water, and added into various Okky Jelly Drink products to add a chewy and fun sensation. SGB supports the farmers by taking a lead to produce nata de coco, according to Good Manufacturing Practice (GMP), through developing a prototype for the machine to get clean cutting coconuts, as well as conducting research to determine the right formulation to produce high quality products.



Local farmers harvesting tea leaves

Frucor Suntory: Relations with Business Partners

We make every effort to use local sources for products and services, but on occasion we must use overseas suppliers for some requirements.

To help us constantly improve our ethical sourcing we have continued our membership with Sedex, the largest sharing platform of ethical supplier data in the world. This platform allows us to engage with our suppliers and gather key information regarding social and environmental compliance to ensure they meet our high standards. As of May 2021, over 70% of spend from our Frucor Suntory suppliers with the Suntory Group have been inducted through Sedex. This ensures we are confident that our suppliers are operate responsibly, protect their workers and are committed to ethical sourcing.

Containers packaging

Suntory Beverage & Food Thailand (SBFT): Collaborating with Thailand Government and Private Sectors to Promote Recycling Awareness

In 2021, SBFT signed an MOU with Thailand Institute of Packaging and Recycling Management for Sustainable Environment under the Federation of Thai Industries with more than 50 partners consisting of NGOs and private sectors from the whole supply chain (manufacturers, suppliers, aggregators, and recycling plants), including the education sector, to collaborate in promoting the Extended Producer Responsibility (EPR) concept to public. Through joining this “Pack Back Project”, SBFT works towards a circular economy with the project kicking off in December 2021 through conducting an experiment of packaging collection in a pilot area in Chonburi Province, together with promoting the sorting of packaging from the beginning development of collection and transportation systems. In early 2022, the data collection of research regarding recycling behavior of consumers and the building of recycling network partners was conducted. SBFT also participated in the research and visited the pilot area to collect data for analysis of recycling rate of small glass bottles including BRAND’S bottles. In late 2022, SBFT and some of the leading beverage producers plan to launch activities to educate consumers on recycling awareness in various area such as in schools and point of purchases in Chonburi province, along with the tracking improvement of recycling rate of small glass bottle in pilot area in order to share a model for industry expansion.



Meeting with local authority for direction

Suntory PepsiCo Vietnam Beverage (SPVB):**Reducing the plastic weight used in packaging without comprising on product quality**

To ensure responsibility for their products goes beyond hydration & quenching consumers' thirst, SPVB is reducing the amount of plastic usage in each of their bottles to reduce the environmental impact of their packaging. With the goal to become the best-in-class company in plastic light weight, SPVB announced the launching of Aquafina lightweight plastic bottle for 500mℓ pack size in Ho Chi Minh City, Vietnam in July 2021. Using the latest state-of-the-art technology, SPVB successfully reduced a bottle's weight from 13.5 to 11 grams without compromising Strength, Quality and Brand Equity. This innovation together with an incredibly thin closure was newly added to the bottle to prevent carbonation from escaping took two years to develop despite the COVID-19 challenges. With this initial success, PepsiCo & Aquafina will continue to reduce the plastic weight of the bottles progressively for the rest of their portfolio pack sizes in 2022 with approximately twenty percent plastic usage savings versus the design used in previous bottles. This enables SPVB to have a bigger environmental impact in hope for a greener world, as sustainability and the wellbeing of our planet is always one of the most important priorities for their business.

Suntory PepsiCo Vietnam Beverage (SPVB):**Launching the first product using 100% recycled plastic* packaging in Vietnam**

In April 2022, SPVB was proud to launch for the first time in the Vietnamese market, Pepsi 330mℓ, using 100% recycled plastic* packaging. This breakthrough initiative follows a series of innovations for the Pepsi brand and keeps SPVB moving towards the goal of sustainable development. The new packaging does not lose its convenience and retains the distinctive flavor and spirit of the product, as well as bring to life true green values besides refreshment and pleasure for customers. With the vision of 'Growing for Good' and innovative thinking to serve consumers in Vietnam, SPVB's product portfolio is constantly changing and creating to meet international quality standards, but always in line with the needs and tastes of Vietnamese consumers. SPVB is always aware of their role and responsibility in solving arising problems related to the environment and keeps improving products and production processes to be more environmentally friendly. This is also one of the important factors that have kept SPVB in its leading position in the Vietnamese beverage market since many years. Launching the first product using 100% recycled plastic* packaging in Vietnam is something that SPVB is very proud of, and they hope that Vietnamese consumers will continue to welcome and support this new initiative.

*330mℓ Pepsi pet-bottle is made from recycled plastic, excluding lids and labels



Jahanzeb Khan, CEO and General Director of SPVB speaking about “always improving products and production processes to be more environmentally friendly.”

Suntory PepsiCo Beverage Thailand (SPBT): Committed to reducing the use of virgin plastics and supporting care for the environment through sustainable packaging

SPBT strives to select and develop environmentally friendly packaging that can be recycled and reduce the plastic waste problem under the concept of a Circular Economy, reinforcing the vision of “Growing for Good” or sustainable growth in conducting business while taking care of society and the environment. PET (Polyethylene Terephthalate) plastic was chosen as the packaging for all SPBT beverages as the used clear & colorless PET bottles are 100% recyclable and have a higher purchasing value than colored bottles. Clear colorless PET bottles can be easily recycled and converted into a variety of products such as fiber for clothing and automotive parts. SPBT has developed technology in the production and packaging design process to create a lightweight plastic that helps reduce the use of new plastics for production of each bottle. These bottles adhere to packaging standards and are clean, safe, lightweight, strong, resistant to impact and environmentally friendly making them easy to manage. Packaging Sustainability Management remains one of the most important sustainability policies of the company. SPBT’s commitment to reducing the use of virgin plastic since 2018, has resulted in the company being able to achieve reductions totaling 531.6 tons, as of 2021. SPBT also initiated a waste segregation education project in schools and communities and has joined hands with business partners such as Wongpanit, a major recycling firm in Thailand, which announced the purchase of clear colorless PET bottles from Suntory PepsiCo at a price higher than ordinary PET bottles with an additional 1 baht per kilogram. Other initiatives have included a pilot project with new technology such as the 'ReFun Machine' where 10 ReFun machines were installed in front of ten 7-11 convenience stores in Bangkok and Metropolitan areas, with the objective to promote proper waste segregation to consumers and bring used PET plastic bottles back into the systematic recycling process. With these initiatives, SPBT remains committed to reducing the use of virgin plastics and supporting care for the environment through sustainable packaging.



Easily recycled clear colorless PET bottles

Suntory Garuda Beverage (SGB): Continuous innovations for a more environmentally friendly packaging

SGB have continued to make innovations to make a lighter and more environmentally friendly packaging. Currently, MYTEA and Good Mood bottles are the lightest PET plastic bottles in the world with nitro hot-fill technology. Furthermore, Okky and Mountea’s packaging is gradually reducing PP plastic fallow.

For carton packaging, we also adjust the dimensions and materials used, making them lighter and more efficient. Since 2019, we have also gradually used recycled PP plastic pallets in our warehouses and distribution centers.

Along with our efforts at the factory to save on the use of plastic raw materials and boxes, we also collect plastic packaging and carton waste, utilize used beverage carton as corporate gift, as well as educate the public in the form of webinars, banners, and leaflets in collaboration with several communities in Jakarta and its surroundings.

Frucor Suntory: Reduce, reuse, recycle

Guided by our Growing for Good vision, Frucor Suntory is committed to leading the shift towards a circular economy by increasing our use of recycled content, evaluating new materials and sources, minimising the volume and weight of our packaging, and working together with industry and government to improve recycling systems and infrastructure in Australia and New Zealand.

We have also improved the recyclability of our existing PET bottles. We've replaced the green bottles across our 7Up range with clear recycled plastic displaying a new recycling logo printed on the front. Our existing green plastic bottles were recyclable but replacing them with clear plastic makes it easier for consumers to recognise their recyclability and increase the likelihood that it will stay out of landfill.

In addition to adjusting the materials we use in our plastic packaging, we have ramped up research and implementation of our light weighting project for glass bottles that started in 2020. As a result, we have delivered new light-weighted 330mℓ V Pure glass bottles by removing unnecessary material to optimise its material usage and functionality. We estimate that by replacing our existing bottles, we will be able to reduce our glass usage by four tonnes and carbon emissions by 1.3 tonnes.

Regarding recycling practices, we are committed to migrating our full PET portfolio to rPET over the next few years to help lower carbon emissions. This has started with our water brands, h2go and NZ Natural, and in April 2022 we launched a 600mℓ 100% recycled plastic bottle across the PepsiCo portfolio in New Zealand (Pepsi Max, 7UP and Mountain Dew) with a nationwide sustainable media campaign. Today, this means that 93% of our packaging is recyclable and we are working to achieve 100% recyclable packaging by 2030.



New Pepsi Max rPET bottle which launched in New Zealand in April 2022

Health

Suntory PepsiCo Beverage Thailand (SPBT) & Suntory Garuda Beverage (SGB): Creating healthier drink options with Suntory TEA+ Oolong tea and MYTEA +

SPBT is extending their portfolio on the healthy drink trend with one of its newest products TEA+, while Suntory Garuda Beverage (SGB) announced the launch of MYTEA+, both of which are ready-to-drink oolong tea from Suntory Japan with two formulas: Tasty and No Sugar. This product is aimed to meet the modern lifestyle of young consumers who look to enjoy tastiness, freshness, and healthiness in one drink, with the same product quality as its Japanese counterpart. The ready-to-drink oolong tea, is manufactured with great attention into detail at every step and with Suntory's unique techniques in preparing the best oolong tea - from the plucking of tea leaves in the early morning light, fermentation processing (semi-fermentation), to pan firing and rolling. This new product is set to deliver the quality of fresh oolong tea, mellow taste and flowery fragrance on top of its refreshing nature with natural substances OTPP from Oolong tea, which makes it an ideal drink to relax and light up your day. TEA+ comes with two flavors for consumers to choose from: Tasty (low sugar) and No Sugar, making it a healthier alternative for consumers.



SPVB with the launch of TEA+



SGB with the launch of MYTEA+

Frucor Suntory: Progress on sugar

Our hunger to make drinks better is what drives us – and this means offering choice and great tasting drinks.

We know that our customers want high quality, low sugar drinks and we've seen this through the success of our newly formulated V Sugar Free Blue which has added the highest sales growth to our low and no sugar energy drinks range.

We work closely with Suntory and our Flavour Houses on sugar reduction and sweetness enhancement tools and technology, to find new ways of giving consumers the same great taste, but with less sugar.



Blue V Energy Sugarfree

2021 saw us continue to adopt the Health Star Rating food labelling scheme across several products. This work will roll out across our full portfolio in the coming years to empower customers to make informed decisions.

Human Rights

Suntory Beverage & Food Thailand (SBFT): Providing a safe and fun workplace for employees

SBFT prioritizes their people, extending work support and taking good care of them even during the COVID-19 pandemic. SBFT consistently sent healthcare essentials and good wishes to them, and virtual activities were held to strengthen the relationship between their people. COVID-19 vaccination drives were held for employees and SBFT also closed the gap between people within their organization through activities that let employees share their opinions with company's leadership. A Master Chef contest was also held to encourage employee engagement for collaboration, and a "Welcome Back" activity was conducted to build employee relations. All these initiatives allowed employees to have solid reaffirmation of the ONE SUNTORY corporate culture and they were recognized for it as SBFT was named one of the "Best Companies to Work for in Thailand 2021" by HR Asia, the region's most authoritative publication for HR professionals.



Welcome back activity to build employee relations

Suntory Garuda Beverage (SGB): Winning Occupational Health and Safety awards

SGB was awarded the 2021 Occupational Health and Safety award by the Ministry of Manpower of the Republic of Indonesia, the Directorate General of Labor Inspection and Occupational Health and Safety. The winners of the zero-accident award are decided by Ministry of Manpower of the Republic of Indonesia by looking back on the central level evaluation with the specified criteria indicators, both in the company policy and administration documents relating to Occupational Health and Safety, Health and Employment social security claims. This is the third year that Pekanbaru Factory of SGB has won this award, after receiving the same appreciation in 2019 and 2020 by Riau Province Manpower Office. SGB implements integrated safety management which involves the active role of all employees. Apart from being disciplined and clear in applying manuals, coaching, and “Plan, Do, Check, Action” (PDCA) procedures, this risk management-based safety management is carried out by SGB through the development of an integrated system that encourages all employees to identify and self-assess hazards and participate to share incidents that have the potential to cause loss or accidents in the work environment. At SGB, they have built an integrated system that encourages all employees to identify potential hazard, share near-miss incidents at work sites and build prevention as a continuous effort in a part of employee responsibility to create a safer work environment.



Providing a safe work environment for employees and winning the Occupational Health and Safety award consistently

Frucor Suntory: Prioritising the health, safety and wellbeing of our people

Our Health, Safety and Wellbeing team has taken significant steps towards reducing the number of workplace injuries and placed focus on prioritising our employees’ mental health.

In 2021 the team shifted their focus significantly to mental health to respond to the needs of people through the ongoing COVID-19 pandemic and continued community lockdowns. We support the mental wellbeing of our people by providing access to information, tools and support they need when they need it.

If not addressed properly, mental health can have a knock-on effect leading to safety issues in the workplace. We implemented several initiatives and programmes to provide our people with the skills to acknowledge, address and support their journey in maintaining good mental health.

An area that was also significant emphasis for the Health, Safety and Wellbeing team was decreasing the number of workplace injuries at Frucor Suntory, which had remained at a steady level over the past few years. To address this, we updated our operations risk assessments to make them more comprehensive and put dedicated focus onto our manual handling training to ensure our people have better risk awareness and understand how to mitigate them.

The business implemented a very successful early ‘Discomfort, Pain and Injury’ programme to identify problems early and proactively assist our people. As a result of these changes, we reduced the number of people injured at work significantly.

Suntory PepsiCo Beverage Thailand (SPBT): Employees band together to help society

SPBT sets the month of August every year as a “Helping Hands Month” and has done so since 2018. The aim is to turn the corporate culture of “Being a Giver” into practice through the Helping Hands project. Employees are encouraged to volunteer for the opportunity to participate in activities to help society. Although the pandemic continued to spread in 2021, SPBT’s employees still raised funds through the “Bring & Buy” activity under the concept of “Sharing Kindness by Providing Drinking Water” . The funds raised from these activities were used to establish a clean drinking water system for students in Rayong and Saraburi provinces with 6 schools receiving assistance. In addition to providing a clean drinking water system for students, SPBT also expanded their support under the “Helping Hands” Project to eatery partners affected by COVID-19 measures. A total of more than BHT 255,000 was raised to help students and eatery partners. The Helping Hands project continues to reinforces the solidarity among SPBT employees in their efforts to create good things for society.

Besides that, SPBT also worked with PepsiCo and Raks Thai in a joint initiative called “Give Meals Give Hope” #millionsofmeals, where they are supporting more than one million meals and dried food bags to approximately 80,000 people. The aim is to increase this funding through support from our employees and general public. We will also focus in Saraburi and Rayong Provinces where we have our manufacturing facilities to provide over 216,000 meals and more than 2,250 relief bags to local communities. An additional 16,500 people will benefit with this initiative. Essential personal protective equipment (PPE) and medical equipment will be provided to various hospitals, while food packs are distributed for vulnerable communities across Thailand. SPBT stands together with communities, people, and medical professionals in the fight against COVID-19.



Employees constantly volunteer for activities in SPBT's efforts to create good things for society

Suntory Garuda Beverage (SGB): Spreading goodness to the community

In July 2021, SGB together with Juanda International Airport (the third busiest airport in Indonesia) at Surabaya, provided beverage products at the airport's Vaccination Centre. To spread goodness and positivity, SGB provides support for the community such as delivering aid packages to grave diggers for COVID-19 victims. Besides, SGB also supported local communities that were impacted by COVID-19 at several areas in Jakarta, Surabaya, and Bogor by collaborating with Ministry of Social Affairs of the Republic of Indonesia, and Indonesian Red Cross. Products such as disinfecting, vaccination, as well as testing and tracing kits were delivered to people undergoing self-isolation in health facilities and isolation centres in Jakarta such as Wisma Athlete, and to officers who were handling the pandemic. SGB also supported COVID-19 vaccination for children aged 6-12 years since it started in January 2022 in a few schools and remains committed to spreading goodness to the community.



Healthcare workers enjoy a refreshing drink delivered by SGB

Frucor Suntory: Employee Volunteer Activities

We support our people to Make a Difference in their community by offering up to eight hours paid volunteer leave, called Make a Difference Leave.

We recognise the value of supporting our people who demonstrate a passion to give back to their community, charity or group of their choice –individually or as a team.

One of the leading benefits of our Make a Difference leave is that it is flexible. Volunteer hours can be used in a single day or be split across days, organisations, events or activities.



Our Australian team preparing meals for communities in need

Pepsi Bottling Ventures LLC

Head Office	4141 ParkLake Ave., Suite 600, Raleigh, NC 27612, USA
Established	1999
Business activities	Production, Distribution and Sale of PepsiCo and PBV-owned beverage brands across the United States.
Website	https://www.pepsibottlingventures.com/



PBV's production facility in Winston-Salem, North Carolina

Primary Sustainability Activities

■ Our Initiatives

Water

Water Use Optimization

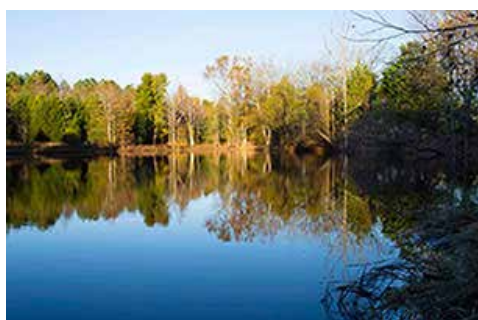
As the key ingredient in our products, using water responsibly is critical in our manufacturing process. Our highly sophisticated reverse osmosis (RO) water purification systems are designed to optimize purity and water conservation. Unused water from the RO systems and other manufacturing processes is recycled in secondary uses to maximize water conservation before being discharge. PBV continues to invest in advanced water purification systems and practices to minimize waste while maintaining the highest quality in our products.



Water line in PBV's Winston-Salem production facility

Land Conservation Designed to Protect the Water Quality of the upstream region of the Neuse River

The PBV headquarters factory is located in Upper Neuse River region in central North Carolina. The Upper Neuse River region provides utility water and drinking water to over 300,000 residents and many local businesses and organizations. The population in the Upper Neuse River region is rapidly increasing, which makes it extremely important to the health, economy, and quality of life of the people that live there. Since 2005, our company has cooperated with forest preservation organizations, local government and land-owners through the Upper Neuse Clean Water Initiative to preserve the soil and protect the water quality of the river. We also engage in initiatives that remove foreign species and restore habitats.



Upstream region of the Neuse River



Members of the North Carolina Youth Conservation Corps, a summer program which is supported through PBV's annual donation to the Conservation Trust of North Carolina

Adopting vehicles and a delivery system that contribute to energy conservation and CO₂ reduction

In 2011, PBV was the first Pepsi bottler in the U.S. to install an automated order picking system using Coolift pallets in combination with specialized lift gate trailers. The system reduces delivery time and improves ergonomics for delivery personnel. Delivery routes are dynamically routed daily to reduce travel time and fuel consumption. Hybrid and fuel-efficient vehicles continue to grow and now make up over 50% of our sales support fleet.



Hybrid sedan used by PBV's sales team



Delivery trucks staged at distribution facility in St. Pauls, North Carolina

Reduce - Self-manufacturing PET Bottles

In 2012, PBV eliminated the practice of purchasing and transporting PET bottles and started manufacturing them at its North Carolina facilities. In 2020, PBV further expanded its manufacturing of PET packaging material by introducing injection molding of preforms – the process of turning plastic molding into a usable bottle. The combination of self-manufacturing PET bottles and preforms allows PBV to reduce the incoming truck deliveries of PET packaging materials by 30 to 1. Further, the self-manufacturing process allows PBV to reduce PET bottle weights on average by 20%. The new bottles incorporate 10% recycled plastic. PBV's new manufacturing equipment is 20% more energy efficient than the old systems used before self-manufacturing.



(left) Self-manufacturing PET bottles at our facility in Garner, N.C. (right) Injection molding machine

Containers and Packaging

Reuse & Recycle – Pallet Reusage & Plastic Cases

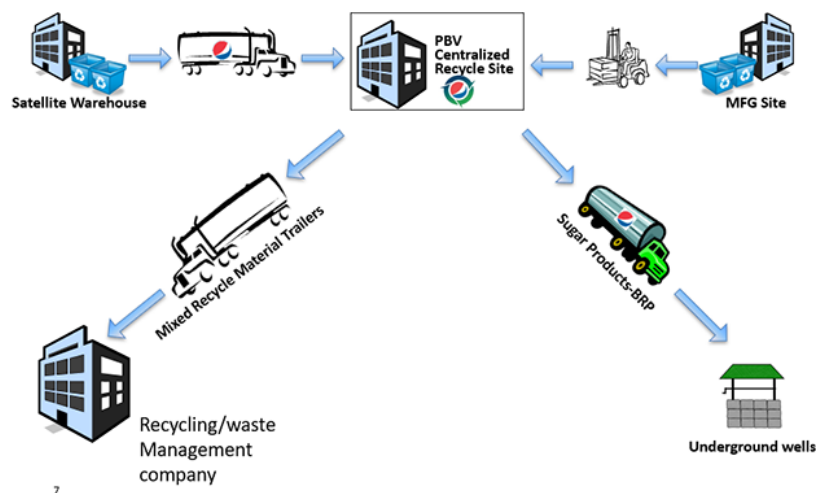
99% of our plastic and wood pallets are reused multiple times. Our plastic cases also lasts for years and eliminates corrugated board and wood from landfills. Damaged units are returned to our facilities and recycled into new cases and pallets. PBV also uses recyclable shrink film on other products to reduce secondary packaging.



Distribution crates stored in Garner, N.C.

Centralized Recycling Centers - Recycle

PBV manufacturing facilities act as centralized recycling centers. Corrugated board, stretch film, metal, and PET are collected and transported to these centralized facilities. Out-of-date product returned from customers is crushed and the recycled packaging is sold. Additionally, our fleet garages recycle old vehicles, waste oil, batteries, and tires. As a result, PBV achieved a recycle rate of 90% of its total waste in 2020.



PBV Recycling Path



Recycling bales ready for shipment from Garner distribution facility



Recycling bales entering production process at Unifi warehouse. PBV partners with Unifi for the processing of recycling materials

Health

Supporting Healthy Diets

As one of many initiatives aimed at improving the nutritional balance of beverages in our customers' diets, PBV sells a variety of healthy drinks that contribute to the well-being of customers. Customers can also obtain information about the nutritional composition of our products from PepsiCo's website:

Human Rights

Creating a healthy and lively workplace

To maintain employee health, our Safety and Wellness Department provides guidance on how to be a healthy workforce. All of our employees are encouraged to have annual physical examinations. We provide annual influenza vaccinations free of charge for employees and spouses. Annual Safety Day events occur at selected facilities, where we bring in local hospital and wellness professionals to instruct on such topics as proper hydration and heart health. Automated External Defibrillators have been installed at all facilities and training is provided to selected employees on Basic First Aid and CPR. "Fresh Fruit Friday" is held once a month in all facilities, to promote healthy breakfast and snack choices.

In addition, to ensure the overall organizational health, we conduct employee opinion surveys every other year. This allows the views of employees to be heard and creates a venue for discussions and changes to take place in our organization.

Biometric testing has taken place at selected facilities based on employee population. Screenings help provide our employees with the knowledge and awareness of their current health and well-being. Employees are encouraged to participate, so they may have a better understanding of their health status, and consult a primary care physician if results need to be modified. Preventive wellness has always been a primary focus of PBV, especially when it comes to the health and safety of our employees.



Fresh Fruit Friday at Pepsi Bottling Ventures



Biometric screening with employees



Marketing materials encouraging healthy lifestyles for PBV employees

The Industrial Athlete Program has great success across our Eastern Division. Like several other companies that have produced a similar program (UPS, Boeing, Volkswagen, to name a few), PBV has incorporated the Industrial Athlete Program to reduce the risk of injuries to our employees on the job. Stretching, physical therapy self-massage techniques for pain management, and proper ergonomic lifting techniques while handling product, are some of the key components of this program.



Marketing materials encouraging healthy lifestyles for PBV employees

Workplace safety is something PBV takes very seriously. In order to keep “Safety First”, we schedule Safety Day events at many of our facilities. Activities during a safety day range from instructor lead training (Highway Patrol) to hands-on exercises (fire extinguisher demonstrations, forklift rodeo etc...). Conducting Safety Day events are a fun way to teach workers best practices for a productive and safe work environment.

Enriching Life

Support for areas affected by natural disaster

PBV supplies bottled water to the victims of natural disasters and provides significant financial assistance to relief organizations such as the Red Cross.

Activities rooted in the local community



Specialty truck wrap promoting the PBV/Kay Yow Cancer Fund partnership

■ Quality Initiatives

Quality Management

To maximize quality control efforts and provide safe & high-quality products, Pepsi Bottling Ventures (PBV) observes both the quality standards shared throughout PepsiCo and the standards unique to PBV. We have also implemented AIB International’s GMP Audit system for food safety^{*1}. Moreover, we have obtained the Global Food Safety Initiative (GFSI) FSSC-22000 audit scheme^{*2} certifications for food safety.

^{*1} A food safety system that stresses Good Manufacturing Practices (GMP), which are guidelines on practices that must be adopted in order to manufacture food that is safe.

^{*2} Food Safety System Certification 22000 (FSSC-22000) - GFSI Audit Scheme that combines the ISO22000 standard and the ISO/TS22002 standard (formerly PAS-220) that specifies the requirements for prerequisite programs and food safety systems to assist in controlling food safety risks in food manufacturing processes.

Beam Suntory Inc.

Head Office	222 W. Merchandise Mart Plaza, Chicago, IL 60654 USA
Established	May 2014 (November 1966 as Jim B. Beam)
Business Activities	Production and sale of bourbon whiskey and other premium spirits
Website	http://www.beamsuntory.com/



Company Overview and Philosophy

As a world leader in premium spirits, we have made long-term commitments to sustainability across every facet of our value chain, from seed to sip – a program known as Proof Positive. Our commitments to nature, consumers, and communities are aligned to the United Nations' Sustainable Development Goals (SDGs). They aim to create a more sustainable and equitable future for Beam Suntory and all our stakeholders.



As we continue progressing our Proof Positive commitment, we will disclose progress against our targets each year. We launched our sustainability report, reflecting the latest in our strategy and progress.

[Click here for details of our strategy and progress.](#)

Château Lagrange S.A.S.

Head Office 33250, Saint-Julien Beychevelle, France

Established December 15, 1983

Business activities Production and sales of wines

Website <http://www.chateau-lagrange.com>



Company Overview and Philosophy

■ Excellence

Château Lagrange has long contributed to the development of "lifestyle culture" through the production of high quality wines. According to our records, this history goes back to at least 1631. Needless to say, quality wine is a true gift of nature, thanks to what we call terroir, a term used in the wine industry to refer to environmental factors including soil that can influence the quality of the wine. After joining the Suntory Group in 1983, we embraced the group philosophy, "To Create Harmony with People and Nature." In order to embody this, we always strive to produce one of the world's finest wines while respecting environmentally friendly production processes, from vine care to bottling.



■ Quality Management

Focusing on quality management and product safety

We believe that there are two aspects to “quality”. One is the quality of the wine itself and the second is quality management in production processes. In terms of the quality of the wine, to ensure our vision of excellence and share that vision with our customers throughout the world, we use integrative farming techniques to produce truly excellent wines. We take meticulous care of each vineyard to let the grapes mature in an optimal manner and to draw out the best characteristics of the locality of the vineyard and the variety of grape. We fully engage in cultivation with reduced agricultural chemicals in which we only use the minimum amount of agricultural chemicals required at vineyards for the health of our customers.



Second is the quality management of manufacturing processes. Château Lagrange conducts quality management based on the Suntory Group’s Quality Policy “All for the Quality,” Quality Management Rules and Quality Standards throughout its process from cultivating grapes to fermentation, bottling, and shipping to ensure thorough quality control.



Comprehensive Quality Management

Better product analysis and traceability

At Château Lagrange, we have great respect for the traditional sales system unique to fine Bordeaux wines, the Place de Bordeaux. In this system, wine merchants purchase wines mainly during the En Primeur (Futures) offer period in particular. It makes it difficult to maintain traceability of wines and attain direct responses from customers as products are pass from merchants to customers. Therefore, to make our products more traceable, we have introduced code numbers on bottle cap seals. Our products undergo a wide variety of product analyses during the manufacturing process and records are kept of the results. We inspect the materials used in all wines, corks, bottles, labels, and cases, and record the results along with these code numbers so that we can trace the history of every bottle of wine we produce.



■ Relations with Customers

Interacting with Customers and Partners

The En Primeur (Futures) system unique to Bordeaux makes it difficult for producers to have direct contact with consumers. However, wine merchants organize many wine tasting events all over the world, allowing us to directly communicate with wine lovers. Maintaining an excellent relationship with our partners—around 120 wine merchants in Bordeaux—allows us to use a worldwide promotional network to deliver wine to our customers around the globe.



Interacting with Partners

Visitors

We welcome about 7,000 visitors every year. Visits are on appointment bases and oenologists, sommeliers, chefs, engineering and business school personnel, wine connoisseurs, and wine writers who come for tours and wine tastings. We welcome not only professionals but anyone who loves wine to see the Bordeaux Grand Cru Wine making process while touring the vineyard, fermentation facilities and the warehousing of our aging barrels.



Visitors

Primary CSR Activities

Water

Amount of water usage reduced

Château Lagrange has been working to protect our water resources by determining how much water we use, using it better, and engaging in rigorous conservation efforts.

CO₂

Reducing CO₂ emissions to help combat global warming

Château Lagrange S.A.S. is one of five environmentally-friendly wineries in France that began measuring the CO₂ emissions. We always strive to revise the production process to reduce greenhouse gas emissions. Moreover, 800 m² of solar panels installed in 2019 supplies about 15% of power used at the fermentation facility.



New solar panels installed on the roofs of fermentation facilities

ISO14001 and HVE certification by the French Ministry of Agriculture

Château Lagrange received Terra Vitis certification for ecological integrated agriculture in 2005. We have furthered our activities and received ISO 14001 Environmental management system standard and the highest Level 3 in High Environmental Value (HVE) certification from the French Ministry of Agriculture in 2017. These certifications require compliance as annual audit for detailed and strict standards regarding biodiversity, plant disease and pest control measures, fertilizer and irrigation management, etc. These certify that we are producing high-quality grapes in a way that protect the environment and health of the workers as well as in a biologically sustainable method.

We are currently cultivating grapes using organic farming methods on a roughly 30ha area of vineyard are comparing status with area that has received HVE level 3 certification until this today.



ISO14001 certification



Highest Level 3 High Environmental Value (HVE) certification from the French Ministry of Agriculture



HVE logo

Preservation of Biodiversity

In a survey conducted in 2020, we found 64 species of plants and 54 species of birds in our property. After the survey, we have formulated a five-year plan to further nurture the biodiversity and are carrying out the plan. We plan to plant more trees, create more hedges and new waterhole in our premises. Château Lagrange cannot exist nor grow without the bounties of nature. As such, we respect and thank nature while pursuing a future which nature, wine, and people can coexist.



Containers and Packaging

Promoting reuse and recycling of materials

Château Lagrange is actively using recycled materials for its containers and packaging. In 2021, we began sales on wines in cartons for transport made from recycled materials along with traditional wooden cases. We are contributing to the reduction of GHG emissions during transport through reducing the weight of packaging.



Human Rights

■ Relationship with Employees

Guaranteeing safety and staying healthy

We regularly review guidelines on health and safety and share information to ensure the safety of our employees. Furthermore, we have begun using power assist suits at vineyards and during production and shipping to reduce the burden.



Introduction of power assist suit

■ Relations with the Local Community

Public relations activities

Château Lagrange has a dedicated public relations staff who organize and participate in events attended by various organizations, journalists, sommeliers, and wine schools, helping them to understand the secrets of our terroir and our pursuit of quality.



Actively involved in the local community

Providing donations to local sporting event charity organizations, and hosting music festivals in the château grounds are some of the ways that Château Lagrange is actively involved in the local community.



Music festival at Lagrange

Weingut Robert Weil

Head Office	Mühlberg 5D-65399 Kiedrich Rheingau, Germany
Established	1868 (invested in by the Suntory Group in 1988)
Business activities	Production and sales of wines
Website	https://www.weingut-robert-weil.com



Company Overview and Philosophy

■ Dedicated to the highest quality standards

Since its founding in 1868, Weingut Robert Weil has pursued a philosophy toward high-quality. This is a tradition that has lasted for over 140 years, and has resulted in acclaim from even the German Emperor Wilhelm II. The consistent focus on the Riesling grape [100% Riesling – 100% Estate Bootled – 100% Riesling Culture Vineyards] and adhered to a strict, quality-oriented management in the Kiedricher hillside sites vineyard – such as stringent pruning to control yields and selective harvesting by hand – and in the cellar, where the wines are vinified as gently as possible in stainless steel tanks and traditional casks guarantees the production of highly-esteemed wines.



Numerous observers of the international wine world regard Weingut Robert Weil, with its “château character” , as a worldwide symbol of German Riesling culture.

Providing the highest quality with safety

Building a system that allows us to create a safe product that our customers can enjoy with peace of mind is one of Weingut Robert Weil's top priorities. We are members of the VDP (Verband Deutscher Prädikatsweingüter), an association of top quality wine producers who self-impose harsh standards for product quality, particularly during grape cultivation and fermentation.



Company Overview and Philosophy

Water

■ Environmental Efforts

Our vineyards are engaged in grape cultivation using environmentally-friendly methods. We only use organic fertilizers and restrict all use of herbicides. In addition, we protect the qualities of our grapes from insect pests and diseases. We are also working to protect the environment in other ways, i.e. saving water resources.

Containers packaging

Our packaging materials like glass, cartons, duct tape or foil are recyclable.

Human Rights

■ Relations with Business Partners

When locating sources for such items as packaging materials, warehouse refits, and bottling line equipment, we always use a fair and impartial bidding process while still maintaining our utmost priority on product quality and safety.

■ Relationship with Employees

Supporting various styles of work

As a company, we are a small winery with 30 employees. This makes it all more important that we provide a comfortable workplace that promotes the long-term employment of those who represent the accumulation of our knowledge of winemaking. We are promoting maternity and child raising leave for our employees (several months of paid leave as stipulated by German labor laws).



Employees of Weingut Robert Weil

Supporting career development

We actively help our employees to develop new skills to help further their careers. We attach great importance of education and trainings for our employees.

Enriching Life

Contribution activities to the local community

Weingut Robert Weil stays in close contact with the local authorities, the wine authorities and other wineries in the Rheingau area to be actively involved in local activities.



Toyota Suntory Midorie (Shanghai) Co., Ltd.

Head Office	Rm.2304, Metro Plaza, No.555 Loushanguan Rd, Changning District, Shanghai, China 200051
Established	April 2012
Capital	US\$ 196,000
Sales	¥229 million (FY2021)
Employees	7
Business Description	Manufacturing, sales and maintenance of environmental greening systems including Hana no Kabe, Mori no Kabe, and Midorie Design Manufacturing and sales of ozone purifying paint "Ozoeater" products
Website	http://www.suntory-midorie.com/en/



A Hana no Kabe (literally “Flower Wall”) that is among the largest in Japan (Kyoto)

Company Overview and Philosophy

■TOYOTA and SUNTORY—Activities of both companies to date

- Toyota began basic research on biotechnology in 1989. In 2001, the Biotechnology & Afforestation Business Department was established as a specialized organization, and since then has promoted bio/greening projects such as afforestation in Australia, urban greening, flower production, and livestock biomass. In the field of urban greening in particular, TOYOTA has released numerous greening products that contribute to the global environment, such as Smart Green Parking and Smart Green Wall.
- In 2008, Suntory established the Environmental Greening Department and entered the environmental greening business. Based on the concept of "turning the city green," Suntory Midorie Ltd. was spun off as an independent company in April 2009. With its revolutionary indoor/outdoor greening system using Pafcal, a new soil replacement material developed independently, Suntory Midorie continued to offer the creation of comfortable spaces with greenery, receiving high acclaim in China, including being adopted for use in Shanghai World Expo 2010.
- In April 2012, the two companies established Toyota Suntory Midorie (Shanghai) Co., Ltd. in Shanghai, China. Since then, we have been pursuing environmental greening projects in 13 countries and regions, mainly in China.

■Green to Blue — The meaning of green, the value of green, green for change

Midorie's urban greening work began with the development of the new soil replacement material Pafcal. By combining this new soil with the Hana no Kabe wall greening system, we have created a structure that allows city dwellers to join in the creation of a perpetually green environment. From greenery that is simply placed or simply displayed to verdure that can be freely designed. We believe it is through urban greening that we can make our best contribution to this blue planet.

■Ozoater — Clean the air

Ozoater is a paint developed by Toyota Motor Corporation and Aisin Chemical Co., Ltd. that decomposes ozone, a harmful substance, into oxygen, and has been confirmed to have high air purification performance. Toyota Suntory Midorie (Shanghai) Co., Ltd. began manufacturing and selling products that utilize this paint in 2022. We have started working on a new business that contributes to the environment.

Primary CSR Activities

■Promoting Sustainability Management

Our business itself contributes to the global environment and overlaps with the Group's corporate philosophy, "To Create Harmony with People and Nature." We therefore believe that the key to sustainable management through our core business lies in expanding and growing our business operations.

Regarding corporate governance, we strive for prompt decision-making and business execution through management meetings, and have established a system for prior prevention and quick response to the various risks involved in management. In addition, we promote thorough awareness of compliance based on the Group's Code of Business Ethics and promote compliance management among all employees.

■ Relations with Customers

Offering the best greening plans for wall and indoor greening

While developing greening materials suitable for plant growth based on the new soil replacement material Pafcal, Toyota Sundry Midorie (Shanghai) proposes optimal greening plans for wall and indoor greening with a wide variety of planting variations.



A Lexus showroom in China

■ Initiatives for the Sundry Sustainability Vision

CO₂ 

CO₂ Reduction Effect

In the 10 years since its establishment in 2012, the company has installed a total of 2,500 wall greening projects covering more than 50,000m², reducing CO₂ emissions by more than 170 tons per year.

Health 

Health & Spiritual Well-being

In addition to its air purification, sound dampening and humidity maintenance effects, wall greening also contributes to people's health and mental well-being by promoting relaxation and comfort.

Human Rights 

Human Resource Development

We train and support our employees in maximizing their individual capabilities in the workplace so that each one can develop their own capabilities in their own life planning and apply them to the company's business. We also operate a personnel system that rewards employees for their efforts through fair evaluation and clear-cut performance-based treatment.

■Initiatives for Business Partners

Information and Opinion Exchange with Domestic and Foreign Business Partners

Toyota Suntory Midorie (Shanghai) actively communicates with the suppliers from which we procure materials and seedlings. Regarding materials, we confirm that quality standards are being adhered to at production sites, while exchanging information and opinions.

We also communicate regularly with our distributors, who are responsible for on-site installation and sales, to improve quality when providing products and services to our customers.

■Other Environmental Initiatives

Air Purification Initiatives

Toyota Motor Corp. and Aisin Chemical Co. jointly developed Ozeater, an ozone purifying paint that semi-permanently decomposes ozone (O₃), the second most potent greenhouse gas after CO₂ and CH₄ (methane), directly into oxygen. In China and elsewhere in Asia, where ozone pollution is becoming an increasingly serious problem, Ozeater Pafcal, made by applying Ozeater to Pafcal, has been commercialized as an air-purifying product. Ozeater is also more than 99% effective in eliminating odors caused by ammonia and hydrogen sulfide. We are working to develop commercial products with Ozeater to make it available for use in various situations.

Activities to Start a Green Flame in the Heart

Wall greening has been introduced in the offices and plants of both Toyota Group and Suntory Group in order to foster environmental awareness and eco-mindedness among employees, among whom Pafcal with seedlings has been distributed as well. In addition to the healing and vitality from which each person benefits while growing plants, this distribution of Pafcal with seedlings has also elicited many positive comments noting increased awareness of environmental issues.



Activities to Start a Green Flame in the Heart

Biodiversity Initiatives

We used a Hana no Kabe installation with a total area of 1,120 m² as the greening system for the walls of the Yodobashi Camera Multimedia Kyoto facility, which opened in November 2010. This project was planned and constructed with an ecological perspective in mind, mainly using plants that grow in the Tadasunomori Forest in Kyoto.

In addition, GAC Toyota Motor Co., Ltd. in Guangzhou, China, built a biotope with local plants in the park in 2020 in order to focus on protecting local biodiversity. Toyota Suntory Midorie (Shanghai) Co., Ltd. is also participating in this construction project as part of its efforts with Toyota Motor Corporation.