

Suntory Beverage & Food Limited's ESG Activities

Suntory Beverage & Food Limited (“SBF”) promotes environmental management based on the Basic Principles of Suntory's Environmental Policy, and in unison with the rest of the Suntory Group.

It is in this context that SBF shares Suntory's “Sustainable Water Philosophy”^{*1} with the whole of the Group, and as a company that has made the promise of “Mizu To Ikiru” to society that we make our living with water, we are promoting activities focused on the water relevant issues.

^{*1} For more details on “Sustainable Water Philosophy ” refer to:

<https://www.suntory.com/csr/highlight/2017/mizu/>

- Global expansion of activities focused on the water relevant issues
 - Water Resource Cultivation activities in the Natural Water Sanctuary (Japan)
 - Enlightening the next generation, Suntory “Mizuiku” (Natural Water Education Program) aimed at protecting and nurturing water (Japan/Vietnam)
 - Support for forestry conservation through a tie-up with a natural park close to the plant (France)
 - Support for water and environmental education programs at elementary schools in South Africa
 - Support for safe and hygienic drinking water supply activities at schools in Kenya
- Initiatives across the entire value chain reducing environmental impact
 - Initiatives to reduce the amount of water used in, and the amount of CO2 emitted by, the production process
 - Use of water cascade in plants (water saving)
 - Conversion of plants to fuels with low emissions of CO2 (from heavy oil to city gas or LNG)
 - Promote the utilization of renewable energy (solar power, snow ice, biomass etc.)
 - Reduce CO2 emissions by using PET bottle containers in accordance with the “2R+B”^{*2} strategy
 - Reduce CO2 emissions in distribution by use of joint transportation and efficient transportation systems etc.
 - Promote energy conservation activities for vending machines

^{*2} 2R+B: Reduce, Recycle, Bio

- “2030 Environmental Goals” and SBT certification

In the past, SBF has proactively engaged in activities to reduce its environmental impact, but on this occasion it has additionally set “2030 Environmental Goals.”^{*3} Within these, the target for reductions of greenhouse gas (GHG^{*4}/CO2) emissions was recently approved and validated by the Science Based Targets^{*5} (SBT) initiative.

This means that the CO2 reduction target recently set by SBF is of a level that has a scientific basis with regard to the achievement of the “2°C” target established in the Paris Agreement^{*6}.

^{*3} SBF’s “2030 Environmental Goals” are as follows.

We have established two goals for reducing the environmental impact in relation to our business activities.

① Water

- Amount of water used globally in our own plants: 15% reduction⁽¹⁾
 - Reducing the amount of water used for cleaning facilities and packages and cooling systems in plants, as well as promoting the reuse of water etc.

② CO2

- 25% reduction^{*8} in global CO2 emissions from our own plants⁽²⁾
- 20% reduction^{*8} in global CO2 emissions across our entire value chain other than our own plants⁽²⁾
 - Reduce container weights and increase the use of recycled and plant-based materials
 - Actively introduce Japan’s most energy-efficient vending machines

(1) Reduction per unit of production based on business segments in 2015

(2) Reduction of total emissions volume based on business segments in 2015

^{*4} GHG is an abbreviation for greenhouse gas.

^{*5} The SBT initiative was jointly established in 2015 by the four organizations of the Carbon Disclosure Project (CDP), United Nations Global Compact, World Resources Institute (WRI), and World Wide Fund for Nature (WWF). It promotes the achievement of targets, based on scientific principles, to reduce emissions of greenhouse gases in order to limit to the rise in atmospheric temperatures from the level that had obtained before the Industrial Revolution to below 2°C.

^{*6} The Paris Agreement is an international accord, related to controlling climate change, that was adopted at COP21. It was agreed that it was necessary to control the increase in the average global temperature from the level that had obtained before the Industrial Revolution to “below 2°C,” and that emissions of greenhouse gases should be balanced by the amount of greenhouse gases absorbed (by forests etc.).