

# WE ARE SUNTORY

CORPORATE COMMUNICATIONS BOOK

2019



**SUNTORY**

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## 4. BUILDING A MORE SUSTAINABLE FUTURE



The image shows a close-up of a green wall with a white horizontal band in the center. The word "SUNTORY" is written in large, blue, 3D block letters on the white band. The wall is covered with lush green plants, including many small, rounded-leafed plants and some taller, thin-stemmed plants. In the background, a glass building is visible.

SUNTORY

## Helping Suntory "Growing for Good" as a Global Company

The Suntory Group continues to enjoy steady growth in a wide range of global businesses centered around the sales of alcoholic beverages and soft drinks. Through our corporate philosophy, "To create harmony with people and nature," we have since our founding contributed to the richness of people's lives by providing the highest quality products and services to our customers, and have aimed to realize a sustainable society through harmony with nature— always coexisting with the beautiful, global environment. To promote these efforts on a global scale, this year we established the "Suntory Group Sustainability Vision." With this policy as our guiding principle, we will continue to promote sustainable management on a global level, and work toward becoming a company that is "Growing for Good."

Even as our business expands across the globe, our insistence on quality remains unchanged. With customer satisfaction first, and safety a must, we maintain our thorough commitment to product quality in the customer experience, from the taste of our products to the ease of use of our product containers. As a global company, Suntory Group continues to create new value for our audiences by developing high-quality products through finding synergies across national and corporate boundaries. In recent years, Suntory has created many innovative products by combining its 120-year heritage of craftsmanship with the strength of our overseas group companies that own many locally loved brands. We will continue to promote activities that deliver new value to our customer's lifestyles around the world through using our strengths as a global company to the greatest extent.

Based on our founding spirit of "Giving Back to Society," we consider it to be our great mission to hand down a sustainable society with a rich natural environment to the next generation through our unique efforts. The greatest priority across our efforts is supporting the sustainability of water, which is the source of our business as well as a precious resource supporting human life. As a company that places water as its core, we have been engaged for many years in a variety of efforts to conserve and educate about this important resource in Japan. Now, using the knowledge we developed in Japan, we are rolling out our water sustainability efforts globally. In Europe and the United States, we have partnered with local organizations to promote environmental preservation activities including those aimed at developing sustainable water resources. In Southeast Asia, we conduct water education programs for children to teach about the importance of water and nature to the next generation and leaders of the future. We will continue to expand and carry out our efforts around water, in line with local needs, in all regions where we conduct business.

It is the strength of our Suntory Group employees that turns our will into reality. The driving force behind our activities is the spirit of "Yatte Minahare," passed down since our founding. By fostering an environment where all our employees can put the spirit of "Yatte Minahare" into practice, we will continue to take on unique challenges to innovate and build a brighter society.



# Takeshi Niinami

Representative Director,  
President & Chief Executive Officer  
Suntory Holdings Limited

1.



# 2.

# SUNTORY

## ABOUT SUNTORY

Suntory Group is among the world's leading consumer products companies, creating and distributing products enjoyed by millions worldwide. Founded as a family-owned business in 1899 in Osaka, Japan, Suntory has grown into a multi-national corporation throughout the Americas, Europe, Asia and Oceania.







## WHO WE ARE

**Our diverse portfolio of products includes brewed teas, bottled water, carbonated soft drinks, ready-to-drink coffee and energy drinks, as well as premium spirits, beer and wine.**

Suntory is home to award-winning Japanese whiskies *Yamazaki*, *Hibiki* and *Hakushu* as well as iconic American brands *Jim Beam*, *Maker's Mark* and *The Premium Malt's* beer. We also make non-alcoholic favorites such as *Orangina*, *Lucozade* and *Ribena* as well as *Tennensui*, *Iyemon* green tea and *BOSS* canned coffee. Suntory is proud to offer a growing portfolio of wellness products, and we are actively engaged in the flower industry and the restaurant business in select markets around the world.

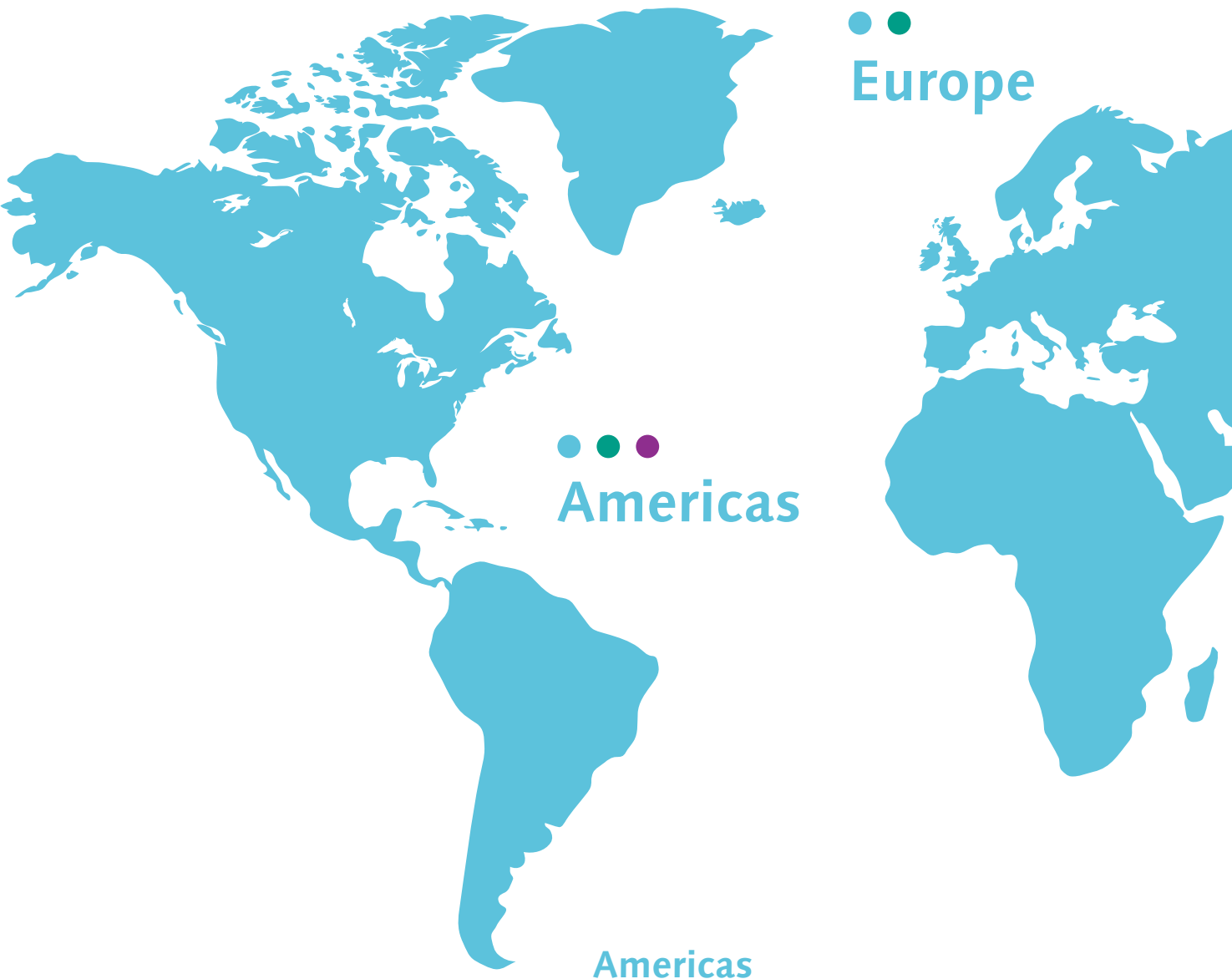
We are driven by "Yatte Minahare" – the spirit of bold ambition – and our 39,000 employees worldwide draw upon our unique blend of Japanese artisanship and global tastes to explore new product categories and markets.







# GROUP COMPANIES



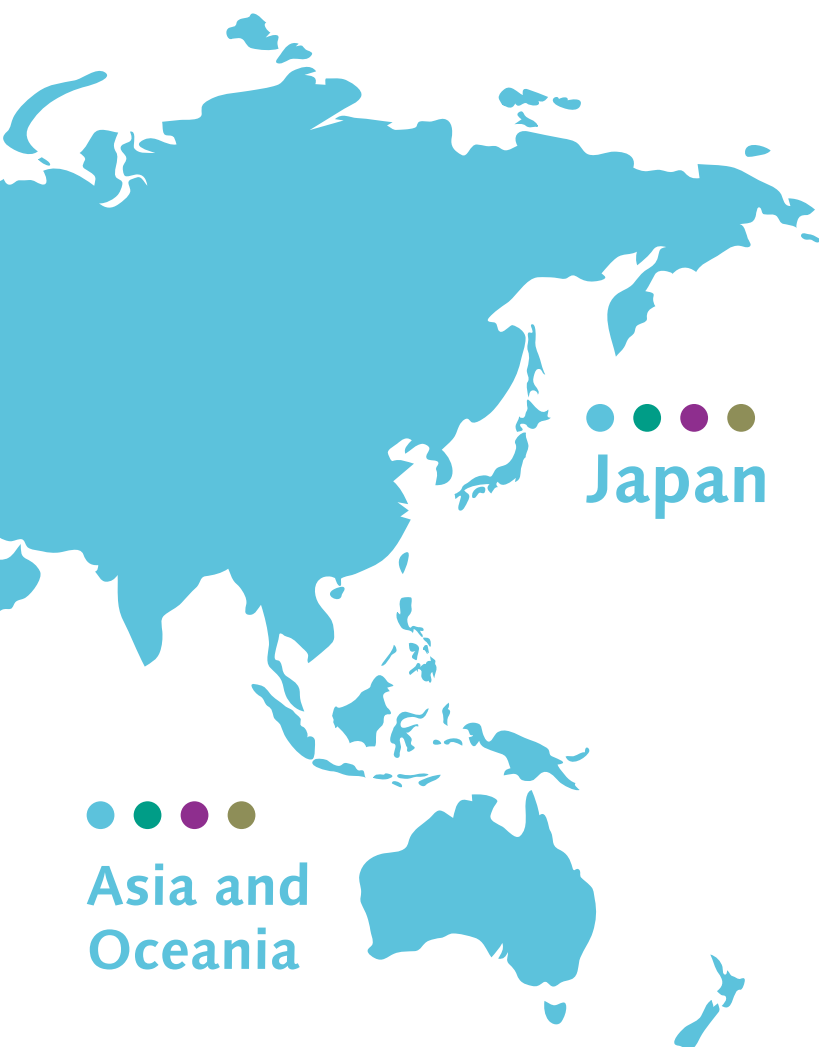
- Pepsi Bottling Ventures Group
- Beam Suntory Inc.
- Restaurant Suntory Mexico Group

- Non-alcoholic Beverage and Food Companies
- Alcoholic Beverage Companies
- Health foods, Restaurants, Flowers, and Services Companies
- Cross-Functional and Integrated Services

## Europe

- Suntory Beverage & Food Europe
- Orangina Suntory France
- Lucozade Ribena Suntory Group
- Château Lagrange S.A.S.
- Grands Millésimes de France S.A.(GMdF)
- Weingut Robert Weil





## Japan

### Japan

- Suntory Beverage & Food Ltd.
- Suntory Foods Ltd.
- Suntory Foods Okinawa Ltd.
- Suntory Beverage Solution Ltd.
- Suntory Beverage Service Ltd.
- Sunvend Co., Ltd.
- Japan Beverage Holdings Inc.
- Suntory Products Ltd.
- Suntory Spirits Ltd.
- Suntory Beer Ltd.
- Suntory BWS, Ltd
- Okinawa Suntory Ltd.
- Kyushu Suntory Techno Products Ltd.
- Suntory Liquors Ltd.
- Suntory Wine International Ltd.
- Fwines Co., Ltd.
- Iwanohara Vineyard Co., Ltd.
- Monte Bussan K.K.
- DYNAC HOLDINGS CORPORATION
- Pronto Corporation
- Izutsu Maisen. Co., Ltd.
- Suntory Flowers Ltd.
- Suntory Marketing & Commerce Ltd.
- Suntory Publicity Service Ltd.
- Suntory Investment and Development Ltd.
- Sun-Ad Co., Ltd.
- Suntory Wellness Ltd.
- Connecto Co., Ltd.
- Häagen-Dazs Japan, Inc.
- Suntory MONOZUKURI Expert Ltd.
- Suntory Coffee Roastery Ltd.
- Suntory Malting Ltd.
- Suntory Logistics Ltd.
- Suntory Business Systems Ltd.
- Suntory System Technology Ltd.
- Suntory Communications Ltd.
- Suntory Global Innovation Center Ltd.
- Suntory Corporate Business Ltd.
- Sunlive Co., Ltd.

## Asia and Oceania

### Asia and Oceania

- Suntory Beverage & Food Asia
- BRAND'S Suntory
- Suntory Garuda Group
- Suntory PepsiCo Beverage Thailand
- Suntory PepsiCo Vietnam Beverage Co., Ltd.
- Frucor Suntory Group
- Suntory (China) Holding Co., Ltd.
- Suntory Huiyuan (Shanghai) Beverage Co., Ltd.
- ASC Fine Wines Holding Ltd.
- Suntory F&B International Group
- Suntory Wellness Taiwan Ltd.
- Toyota Suntory Midorie(Shanghai) Co., Ltd.
- Suntory China Quality Assurance Center Co., Ltd.
- Suntory Trading Hong Kong Ltd.
- SUNTORY MONOZUKURI EXPERT ASIA PTE. LTD.

# WHAT WE BELIEVE

At Suntory, we believe success is rooted in balance.  
Every day, Suntory and its employees strive to do what is best for our environment, our communities and our growth.

Suntory Group's Promise

## Mizu To Ikiru

Suntory Group's Philosophy



## Mizu To Ikiru

"Mizu To Ikiru" is the Suntory Group's promise to our stakeholders.

### Renew the world like water

As a company that delivers the blessings of water and nature to our customers, we will protect and pass on the natural environment to the next generation.

### Satisfy people like water

Just as water quenches the thirst of all living things, so will we enrich lives by delivering products, services and social activities of value to customers and society.

### Move freely like water

We will continue to be a company where all employees take up the challenge to create new value, moving freely and changing and adapting like water.

We will make continuous efforts in our daily activities to fulfill these three promises.



# **| Suntory Group's Philosophy**

## **Our Mission: To create harmony with people and nature**

Our Mission is the fundamental reason for Suntory to exist, and guides and inspires our organization. We will focus on the needs of our customers and consumers. We deeply respect nature and will strive to protect the environment. By forging greater bonds of appreciation between people and the world around them, we will seek to promote richer, more fulfilling lives.

## **Our Vision: Growing for Good**

Our Vision describes what Suntory wants to achieve. It applies both to the company as a whole, and to each individual within the company. The bigger we are, the greater our positive impact can be. We will grow to become a company that always benefits its community. By doing good things for society and the environment, we will help make a better, brighter future.

## **Our Values**

**| Our Values reflect our organization's culture. They are forever fundamental to Suntory and expressed in the two statements:**

## **Yatte Minahare**

We earnestly accept challenges. United by our drive to succeed, we move together to create markets and provide new value. From the start, Suntory has been a pioneer. Today, we look forward boldly and confidently.

## **Giving back to society**

By giving back generously to the world, we show that Suntory stands for both enjoyment and responsibility. While we always aim for success, we also recognize the importance of the world around us. We are committed to building long-lasting, mutually beneficial relationships.

# **| The Suntory Group Way**

It sets out the standards of behavior expected of Suntory employees practicing in their daily activities, to make Suntory Group a company which is selected and loved by customers through the provision of unique values.

# **| Suntory Group Code of Business Ethics**

It sets forth the basic ethical principles to be followed by Suntory Group to fulfill social responsibilities and gain trust of society.

# A CENTURY OF CRAFTSMANSHIP AND COEXISTENCE

## Yatte Minahare

We earnestly accept challenges. United by our drive to succeed, we move forward together to create markets and provide new value. From the start, Suntory has been a pioneer. Today we look forward boldly and confidently.

### History of our business

# 1899



**Shinjiro Torii founded Torii Shoten, beginning the production and sale of wine**

## 1907

Launched *Akadama Port Wine*, a sweet grape wine



\*Name changed to *Akadama Sweet Wine* in 1973

## 1921

Founded Kotobukiya Limited



## 1929

Launched Japan's first authentic whisky, *Suntory Whisky Shirofuda* (white label)

## 1923

Constructed the Yamazaki Distillery, Japan's first malt whisky distillery

## 1937

Launched *Suntory Kakubin* (square bottle)



\*Note: This product photo has been partially edited.

## 1920s

## 1921

Established Hojukai, an organization for social contribution



"Imamiya Dispensary," a charitable clinic in Osaka, was established by the founder.

## 1940s

## 1946

Established the Institute of Food Chemistry (now the Suntory Foundation for Life Science)



### History of our environment and community activities

## Giving back to society

By giving back generously to the world, we show that Suntory stands for both enjoyment and responsibility. While we always aim for success, we recognize the importance of the world around us. We are committed to building a long-lasting, mutually beneficial relationship with society.

**1963**

Changed our company name from Kotobukiya to Suntory Limited, and entered the beer business



**1972**

Established Suntory Foods Limited, our beverage and food sales company



**1996**

Started our health food business with the launch of *Sesamin E*



**1983**

Started management of Chateau Lagrange (Bordeaux, France)



**2004**



Successfully developed the world's first "blue rose" through biotechnology

**2005**



Awarded Japan's first Grand Gold Medal in the Monde Selection to *The Premium Malt's* in the Selection of Beers division

**2009**

Welcomed Orangina Suntory France to the SBF Group



**2013**

Listed Suntory Beverage & Food Limited on the first section of the Tokyo Stock Exchange



**2014**

Established Beam Suntory Inc.



1960s

1980s

2000s

2010s

**1961**

Opened the Suntory Museum of Art



**1969**

Established the Torii Music Foundation (now the Suntory Foundation for Arts)

**1973**

Started bird conservation activities



**1979**

Established the Suntory Foundation

**1986**

Opened Suntory Hall



**2003**

Launched Suntory's Natural Water Sanctuaries



**2004**

Started *Suntory Mizuiku* in Japan to teach the next generation about water and the environment

**2014**

Formulated Suntory's Environmental Vision toward 2050

**2015**

Expanded *Suntory Mizuiku* overseas, beginning in Vietnam

**2017**

Formulated Suntory Group's Sustainable Water Philosophy

**2019**

Formulated Suntory Group Sustainability Vision



# SUNTORY SNAPSHOT

Foundation <b>1899</b>	Brands <b>300+</b>	Headquarters <b>Tokyo, Japan</b>	Presence products sold in over <b>120 Countries</b>
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## PERFORMANCE

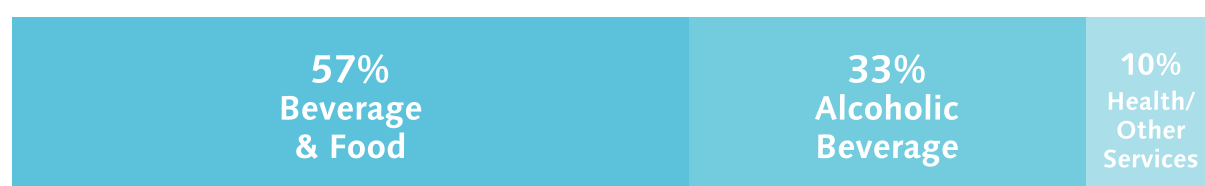
Consolidated Revenue *excluding excise taxes*

**¥2,251 BILLION / \$20.4 BILLION**

Consolidated Operating Income

**¥251 BILLION / \$2.3 BILLION**

### Sales by Business Segment



### Sales by Region



## PORTFOLIO

### Major Brands

Non-alcoholic Beverage,  
Food and Health &  
Wellness Business



Alcoholic  
Beverage Business

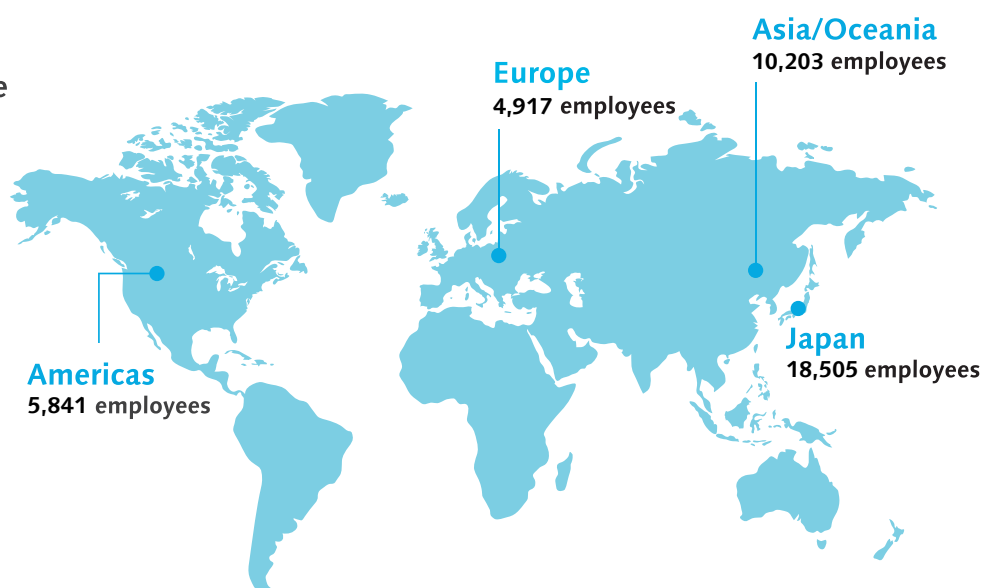


# PEOPLE

## Total Employees

**39,466**  
employees worldwide

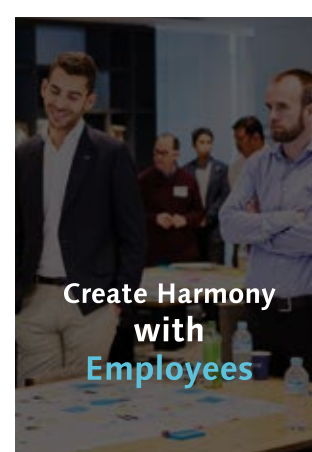
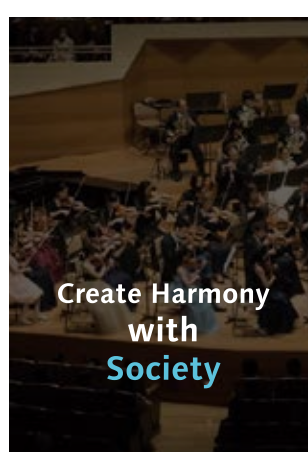
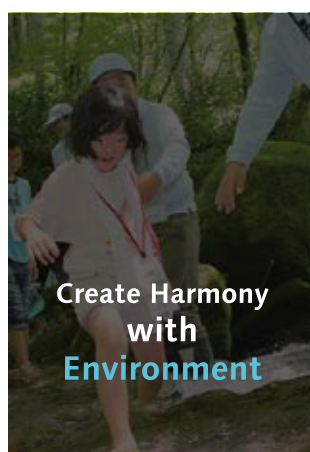
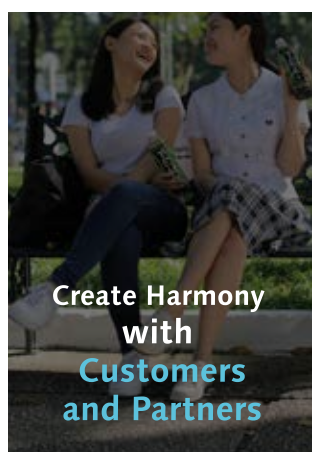
## Employees by Region



# MISSION

**| To create harmony with people and nature**

## CSR Initiatives



## Awards & Rankings

### Suntory Holdings Ltd.

**2019 #4 Most Admired Beverage Company in the World** by Fortune

**#1 Eco-Brand Index 2019**  
by Nikkei Business Publications

### Beam Suntory Inc.

Named among **America's Best Mid-Size Employers**  
2018 by Forbes

### Suntory Beverage & Food Ltd.

**CDP Water A List 2018**  
by CDP

Selected as a **Constituent of FTSE4Good Index Series**

Suntory Okudaisen Bunanomori Water Plant Received: **Alliance for Water Stewardship (AWS) certification**





# OUR PRODUCTS AND SERVICES

At Suntory, we push ourselves to innovate and improve the way we craft our products to meet the ever-evolving tastes of the global marketplace and delight and satisfy our customers. We craft our premium products with the utmost precision and care, blending Japanese craftsmanship and global tastes to deliver the unexpected.

## Non-Alcoholic Beverages and Food Business

We pursue the highest level of quality to bring happiness to our customers. Suntory Beverage & Food delivers a wide variety of products, including mineral water, coffee, green tea, oolong tea, carbonated soft drinks and sports drinks. We also offer a variety of premium products unique to Suntory that cater to the diverse needs and evolving tastes of our customers, such as food for specified health needs (FOSHU) which utilize research technology developed over many years. We manufacture and sell these non-alcoholic beverages and foods globally in Japan, Europe, Asia, Oceania, the Americas and more.

## Spirits, Wine and Beer Business

Since its first production and sale of wine in 1899, the Suntory Group has continued taking on new challenges, including the production of Japan's first authentic whisky and entering into the beer market. As Suntory continues to grow, we're pursuing global expansion of our spirits business through Beam Suntory and strengthening our beer business through Suntory Beer. We also produce award-winning wine in Japan and Europe and work with noted wineries around the world.

## Health Foods, Restaurants, Flowers and Others

Suntory is committed to ongoing initiatives to support how we eat, drink and live. Our research and development is the driving force behind the continued growth of all our existing and future businesses, some of which are health foods, restaurants and flowers.

We offer a wide range of food and dining experiences throughout Asia, Australia and Mexico, including restaurants, bars, cafés and other establishments.

We also have a robust portfolio of health and wellness products, including *Sesamin EX* that leverages long-term polyphenol research.

Suntory is also active in the flower industry, where the company leverages its R&D and technology capabilities to develop and supply a variety of offerings, including the world's first blue rose – an achievement previously considered impossible.

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## Cross-Functional and Integrated Services

Suntory has established functional companies that leverage our operations expertise to deliver expert services related to optimization of management, quality assurance, technological development, supply chain management, advertising and design, customer relations and business systems, while further improving the efficiency of group management. Our cross-functional companies are responsible for services such as fundamental research and operational support.

## Arts, Culture, Academics and Social Welfare

Suntory contributes to cultural and social activities, including backing three public interest incorporated foundations that promote the arts, academic research and Japanese culture.

We also support a social welfare organization that operates senior care facilities and nursery schools in Japan.

# 3.1





Our Principles in Action

## QUALITY AND CRAFTSMANSHIP

At Suntory, quality and craftsmanship are at the core of who we are as a company. Our relentless pursuit of perfection is evident in everything we create. For us, excellence is not just an end product, it is infused throughout our process – from designing and developing new products, to sourcing and procuring raw materials, through to the final moment of consumption.

Suntory is proud to create premium products that satisfy and delight customers all over the world. We work hard to preserve our heritage of artisanship and ingenuity – but we are not beholden to the past. Suntory continues to refine our techniques and introduce new innovations to create new value for our customers.



# OUR COMMITMENT TO QUALITY

Since our founding, Suntory has been guided by an uncompromising commitment to quality. We call this pledge “All for the Quality.” This value inspires each and every Suntory employee to pursue quality and craftsmanship no matter where they sit in the organization.

At Suntory, we are driven to exceed customer expectations. We craft each product and service with our customer in mind, earning and preserving their trust through unparalleled quality, care and precision. Guided by our customer first quality assurance policy “All for the Quality,” we are constantly challenging ourselves to improve our processes, products and services to better satisfy and delight our customers.

We achieve this by:

## Anticipating Our Customers' Needs

We create products and services through the lens of our customers, anticipating their needs, listening to their feedback and satisfying their tastes. Suntory is constantly innovating across our beverage and product portfolio – reducing sugar content and offering healthy products that enhance consumer wellness, while still delivering great tastes.



## Holding Ourselves to the Highest Standards

Suntory places the highest priority on the safety of our products and services, adhering to international standards and promoting quality management through dedicated committees.

## Leveraging Innovation to Ensure Quality

Suntory's Safety Science Institute is dedicated to using scientific quality assurance systems to improve our products today and into the future.

## Never Resting on Our Success

We continuously seek to improve our processes, products and services, enlisting each and every member of the Suntory family to earn customer trust through our relentless commitment to quality.

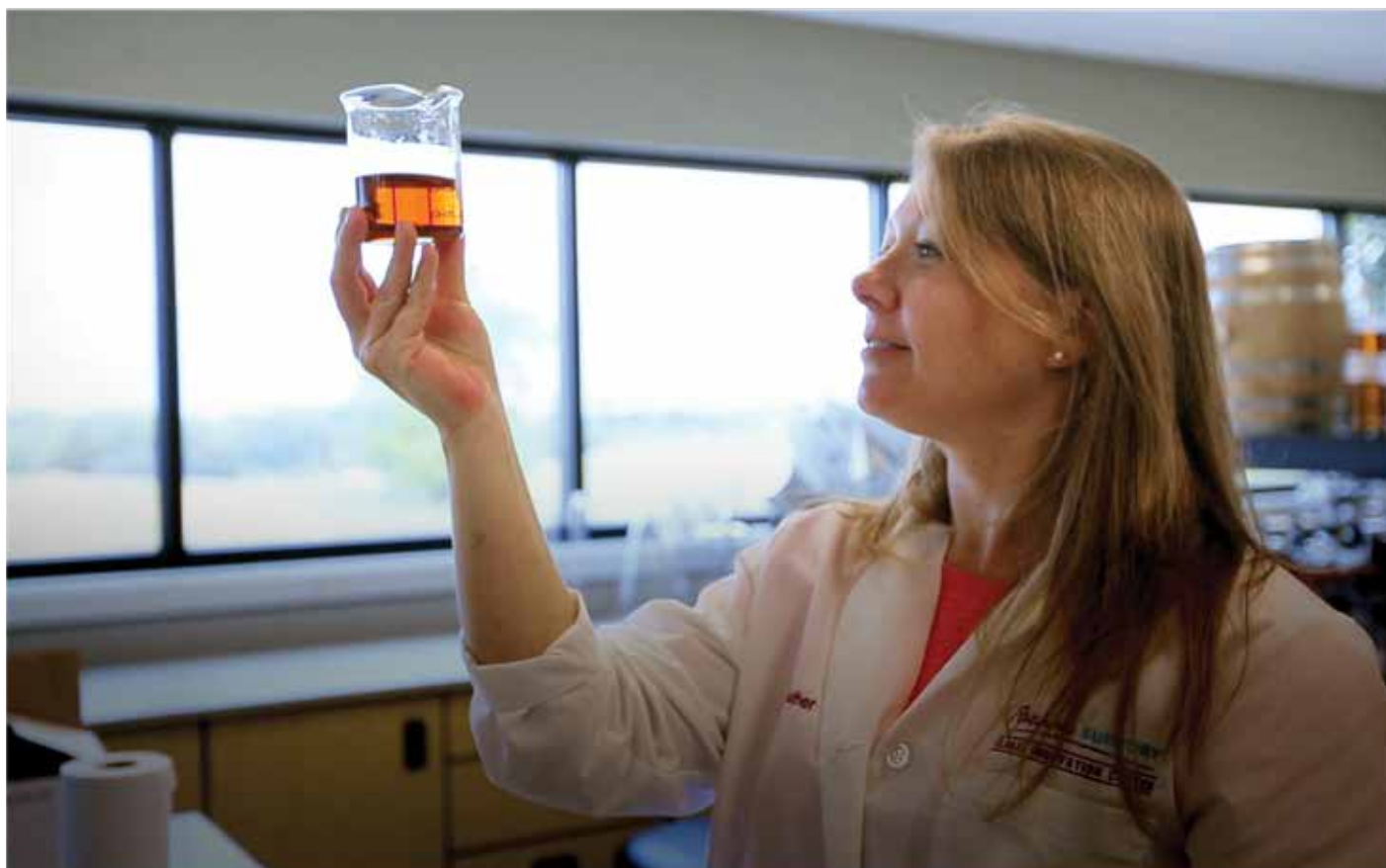


## Suntory MONOZUKURI Values

To guide our commitment to quality, we have established Suntory MONOZUKURI Values – applying our relentless commitment to quality, craftsmanship and design to our entire value chain. Suntory strives to create new value for consumers every day through premium experiences and innovations, all while delivering safe, reliable and high-quality products that exceed expectations.









# MAKING THE IMPOSSIBLE POSSIBLE: RESEARCH AND INNOVATION

Research and development has been key to Suntory since our founding. We are proud to offer new value through product development, technology and expertise – like applying microorganisms and enzymes to alcoholic beverages or introducing new distillation technologies. As Suntory seeks to innovate and grow toward the future, we will continue to promote R&D to create more value for customers and communities around the world.

## Creating Excellent Taste

Suntory has developed numerous market-leading products, including non-alcoholic beverages – such as Suntory *Oolong Tea*, *BOSS* canned coffee and *Iyemon* green tea – as well as alcoholic beverages – such as *Yamazaki* and *Hibiki* whiskies and *The Premium Malt's* beer.

## Promoting Health and Wellness

Building on our large body of health and wellness research, Suntory has developed health foods containing ingredients such as sesamin and arachidonic acid. Our portfolio includes successful products like *Prodia* and *Lactect*, which contain the *Lactobacillus* S-PT84 strain discovered by Suntory.

## Tackling the Impossible

Using biotechnology, Suntory has successfully developed the world's first blue rose, something that had always been considered impossible. Since 2009, blue roses – which are called '*SUNTORY blue rose APPLAUSE*' – have been delivered to customers all over the world.

Learn more about our commitment to quality of products and services at our website:  
[www.suntory.com/csr/activity/service/](http://www.suntory.com/csr/activity/service/)



## Nurturing Natural Water Sources

Based on our corporate philosophy, "To create harmony with people and nature," Suntory established the Suntory Water Institute to support important environmental research on the water cycle and water quality, as well as the protection of water sources, the formulation of water preferences and the value of water.



# 3.2





A photograph of two men in a modern office setting. The man on the left is smiling broadly, looking down, while the man on the right is looking towards him. They appear to be in a collaborative meeting.

Our Principles in Action

## OUR PEOPLE: ONE SUNTORY

Our people are the driving force behind Suntory's growth and success. The talent, precision and passion that our employees (fondly known as Suntorians) bring to their work is evident in every product that we make. Suntory is committed to supporting and cultivating the creative potential of our employees as together we expand our business and address today's most pressing global challenges.





# ONE SUNTORY

## Suntory People Way

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### FAMILY

We are One Suntory family.

We provide opportunities for personal and professional growth,  
health and well-being with long term view,  
while empowering our people to deliver results.

### YATTE MINAHARE!

Just like our founders, we set exciting and ambitious goals  
and then tenaciously pursue their achievement.  
We demonstrate a spirit of never giving up.

### ENGAGEMENT

We are bonded by the Founding Spirit and vision of "Growing for Good."  
Each and every day, our highly engaged and unique individuals  
work in harmony, bring our very best, and create value  
that surprises and delights our customers, consumers and society.

**To support our employees, we established "Suntory People Way," a core set of principles rooted in our unique culture.**

### Promoting Health and Work-Life Balance

Our people are the heart of our company and we are committed to promoting employee wellness, both in body and mind. This begins first by creating a safe, enjoyable workplace for all Suntorians, but our efforts extend well beyond the workplace. Suntory strives to create a healthy work-life balance, and encourages all employees to adopt healthy lifestyles through various initiatives. Our efforts have been recognized by Japan's Ministry of Economy, Trade and Industry and we continue to expand our Health Management initiatives to Suntorians throughout our global enterprise.

### Strengthening Talent through Suntory University

Driven by the spirit of "Yatte Minahare," Suntorians are always striving to do more. In order to grow, inspire and connect all Suntorians, and to accelerate Suntory's growth ambition with talent development and engagement, Suntory University opened in 2015 as a place for all people at Suntory to learn and unite as ONE SUNTORY with the founding spirits as a shared value. We want to create awareness, desire and commitment for all Suntorians to the deep and rich history, heritage and foundation of our culture, and live that "Yatte Minahare" culture every day. Our purpose is to "Craft our Future, Together." We endeavor to support our employees through a broad range of development of initiatives. Suntory University provides programs that align with three pillars: Leadership and Career Development, Founding Spirits Culture Development, and Global One Suntory Capabilities.

Together, these programs nurture Suntorians' leadership potential and build a culture of ongoing learning and growth across the company. By creating an environment where employees can be their best, Suntory University aims to build a global company in which each employee (working as an independent professional) can design his or her own career and continue to create value for Suntory.



Learn more about our commitment to our employee at our website: [www.suntory.com/csr/activity/diversity/](http://www.suntory.com/csr/activity/diversity/)



3.3








Our Principles in Action

## COEXISTENCE WITH NATURE

At Suntory, our mission is to create harmony between people and nature. This mission is fundamental to our existence and it guides and inspires our company every day. We're committed to existing in rhythm with nature. That's why Suntory is taking the lead in preserving water resources, ensuring that generations to come can appreciate and enjoy the beauty of nature.

For us, water is the lifeblood of our business. Every day, Suntory honors this pure and precious resource through our group's promise "Mizu To Ikiru," literally meaning "living with water." This pledge guides every aspect of our business and serves as a promise to the many customers and communities we serve around the world. Together, Suntory and its employees strive to protect water in all its forms, from preserving natural water sanctuaries to teaching children the value of nature.



# SUNTORY ENVIRONMENTAL VISION

To deliver on our mission, Suntory developed the Environmental Vision toward 2050, an ambitious set of goals and policies designed to advance our commitment to environmental stewardship. We're determined to be a global leader in environmental conservation, and we're doubling down on that effort by preserving natural resources and reducing our environmental impact worldwide.

Together, we're making progress toward these bold goals and holding ourselves accountable through a specific set of targets for 2030 and beyond.

1

Improve the **water-use efficiency** in all of our plants worldwide by 15%\*<sup>1</sup> compared to 2015 levels by utilizing the latest water-saving technologies.

3

Engage with our suppliers to **promote sustainable water** use in the production of our key raw materials with high water impact.

2

Implement **watershed conservation activities in over 50% of our plants** worldwide focusing on water-stressed areas.

4

Implement water and hygiene education programs, and provide access to **safe water to a total of 1 million people**, focusing on water-stressed areas.

WATER

## Environmental Targets Toward 2030



1

**Reduce absolute CO<sub>2</sub> emissions** from our global operations (Scope 1 and 2) by 25%\*<sup>2</sup> compared to 2015 levels by actively implementing the latest energy-saving technologies and utilizing renewable energy.

2

**Reduce absolute CO<sub>2</sub> emissions** along our value chain (Scope 3) by 20%\*<sup>2</sup> compared to 2015 levels.

\*<sup>1</sup> Reduction per production unit on the premise of business area in 2015.

\*<sup>2</sup> Reduction in total amount on the premise of business area in 2015.



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

The greenhouse gas reduction target of Suntory Holdings Ltd. and Suntory Beverage & Food Ltd. has obtained approval from Science Based Targets initiative.





## WATER SUSTAINABILITY



Improve the water-use efficiency in all of our plants worldwide by 50%\* compared to 2015 levels.



Conserve watersheds and the ecosystem to replenish the water withdrawn in our plants worldwide.



Achieve sustainable water use in our agricultural supply chain for our main raw materials.



Implement water and hygiene education programs, and improve access to safe water in our main markets worldwide.

## Suntory Environmental **Vision 2050**



## CLIMATE CHANGE



Contribute to the realization of a zero-carbon society and the mitigation of climate change.

\* Reduction per production unit on the premise of business area in 2015.



# DELIVERING ON OUR MISSION: PRESERVING AND REGENERATING NATURE

**Natural resources are the foundation of our business, and they empower us to be the company that we are. Suntory understands that these gifts come with great responsibility, and we're committed to preserving and restoring precious resources like water, forests and biodiversity around the world.**

## Conserving Water Resources

Suntory is committed to nurturing the forests that supply our most essential resource, water. In 2003, Suntory founded our first Natural Water Sanctuary to conserve and develop healthy forests; we now have 21 locations in Japan. Since then, our commitment to protect nature has expanded across the globe – from Japan to Kentucky, with Beam Suntory's partnership with the Bernheim Arboretum and the Maker's Mark Natural Water Sanctuary, to the Grand Parc Miribel Jonage nature reserve in France.

## Protecting Wild Birds

At Suntory, we believe protecting birds is part of building healthy forests. In 1973, we established the Suntory Fund for Bird Preservation and since then we've helped nearly 350 organizations protect wild bird populations.

## Teaching the Value of Nature

Through *Suntory Mizuiku* and our Educational Program for Nature and Water, we are teaching future generations about the importance of water, forests and wilderness. More than 170,000 students have participated in the program, and we're rapidly expanding our curriculum outside of Japan, starting from Vietnam, and now in Indonesia and Thailand. Additionally, Beam Suntory has partnered with universities and forestry departments to launch its Forest Stewardship Education Program, educating loggers and land owners on the value of sustainable forestry practices

## Conducting Cutting-Edge Research

To better understand forests, Suntory conducts rigorous research in collaboration with leading universities, governments and researchers. By leveraging science, we're helping to protect forests, wildlife and water sources around the world.

## Suntory Group's Sustainable Water Philosophy

Water is the most important ingredient of our products, as well as a precious shared resource. In order to achieve "water sustainability," the first pillar of Suntory Group's Environmental Policy, we want to share these values with all Suntory Group members and apply them where we operate in order to answer to our stakeholders' expectations.

1. Understanding the natural cycle of water
2. Promoting environmentally conscious water use
3. Conserving watersheds
4. Engaging with the local community

Formulated January 2017





# DOING OUR PART: REDUCING ENVIRONMENTAL IMPACT

Living in harmony with nature begins with us. At Suntory, we are committed to operating and growing sustainably throughout our global supply chain. Nature is at the heart of our business, and we're working every day to ensure that future generations inherit and enjoy a healthy planet.



## Reducing Our Emissions and Consumption

Suntory works to reduce our environmental impact throughout our supply chain, from sourcing ingredients and raw materials through production, packaging and distribution. Together, our efforts are geared toward lowering our carbon emissions, limiting our water usage and addressing the challenges of climate change.

## Conserving Energy and Water at Our Plants

To ensure that our production processes are energy-efficient, Suntory uses low-emission fuels and renewable energy wherever possible. We're also committed to conserving water, and Beam Suntory has invested more than \$600 million in technology and systems to reduce water usage and environmental impact over the past decade. By reducing, reusing and recycling water in our plants, Suntory reduced our global water usage by nearly one-third between 2007 and 2016.

## Creating Environmentally Friendly Packaging

Suntory is committed to designing people and planet-friendly containers for our products. In 2013, one of our Tennensui water brands started using 30% bio-based polyethylene terephthalate (PET) bottle caps, which estimated to reduce the emission of CO<sub>2</sub> by 27% per 550ml bottle. We are aiming to introduce 100 percent bio-based PET materials in the near future.

Learn more about our commitment to environment at our website:  
[www.suntory.com/csr/activity/environment/](http://www.suntory.com/csr/activity/environment/)







# 3.4





Our Principles in Action

## CONNECTING WITH OUR COMMUNITIES

At Suntory, we believe our business should create harmony with society. Following in the footsteps of our founder, Shinjiro Torii, we are committed to giving back to the communities where we live and work. Every day, we strive to forge greater bonds between people and the world around them – promoting richer and more fulfilling lives through art, music and culture.

We achieve this through a wide range of community-building initiatives, in Japan and around the world. From world-class music programs and supporting children's sports leagues to emergency relief in the wake of a disaster, Suntory is determined to give back to the communities that support and inspire us.



# CONNECTING WITH OUR COMMUNITIES

## Enriching Lives Through the Arts

Suntory has proudly supported the arts for nearly 50 years with our belief that art and music enriches communities. It all started in 1961 with the founding of the Suntory Museum of Art, which today houses more than 3,000 pieces. Then in 1986, we opened Suntory Hall, the first hall dedicated to live classical music performances in Tokyo. Suntory Hall earned a high reputation for its acoustics over the years, welcoming world-renowned musicians and performers.

## Empowering Youth Through Sports

Suntory believes athletics are a powerful tool to unite and empower young people. That's why we partner with sports leagues around the world to give children more opportunities to play and grow. In Japan, the Suntory Sungoliath rugby team and the Suntory Sunbirds volleyball team have shared their passion with approximately 9,300 children through the year of 2018, teaching the joy of exercise. In France, our soft drink company Orangina Suntory France has partnered with UNSS "Sports at School" to give one million children access to over 80 sports every day. Orangina Suntory France also has partnerships with the England, Scotland, Ireland and Wales rugby union teams to promote positive values and support kids from challenging backgrounds.

## Supporting Communities in Need

In 1921, Suntory's founder established Hojukai, a free clinic to help families struggling with financial hardship. Since then, Suntory has been committed to helping communities in need. We encourage our employees to extend the same generosity that Shinjiro Torii did, serving their communities and volunteering their time to important organizations. In the U.S., Beam Suntory has been engaged in raising funds for Kentucky United Way charities that support causes critical in each local community over the last 12 years. In Vietnam, Suntory PepsiCo Vietnam Beverage organized Helping Hands, a volunteer program designed to get employees involved in the community, which has helped build schools and libraries for kids in need.

Learn more about our commitment to society at our website:

[www.suntory.com/csr/activity/society/](http://www.suntory.com/csr/activity/society/)









# PROMOTING RESPONSIBLE DRINKING



**Suntory is committed to promoting responsible drinking and reducing harmful drinking in communities around the world.**



Hand in hand with Beam Suntory, our Alcohol Responsibility and Sustainability (ARS) Committee and Department are actively engaged in activities to raise consumer awareness about responsible drinking, including conducting and supporting research and leading internal and external programs to reduce harmful drinking. Beam Suntory's Drink Smart program helps educate consumers about alcohol, giving them the tools to make more informed and responsible choices.

Learn more about our commitment to responsible drinking at our website:  
[www.suntory.com/csr/activity/service/alcohol/](http://www.suntory.com/csr/activity/service/alcohol/)



4.



A close-up photograph of a hand holding a small branch with several green leaves. The background is a soft, out-of-focus green, suggesting a natural setting. A semi-transparent blue rectangular overlay covers the middle portion of the image, serving as a background for the text.

## BUILDING A MORE SUSTAINABLE FUTURE

At Suntory, we believe that the bigger we grow, the greater our positive impact can be. As a leading global corporation, we are committed to creating a more sustainable future for all communities. This is fundamental to our business, and has guided and inspired us for more than 100 years.



# SUNTORY GROUP SUSTAINABILITY VISION

Suntory believes we have an important role to play in addressing today's global challenges to contribute in creating a sustainable society.

To drive more sustainable management group wide, we have created the Suntory Group Sustainability Vision in 2019. This expresses what we envision necessary to realize a sustainable society, as well as the 7 themes we consider important for sustainability.

We hold ourselves to the highest standards, committing to an ambitious set of goals to deliver on our mission: "To create harmony with people and nature."



THE SUNTORY GROUP'S 7 SUSTAINABILITY THEMES

Theme
 Water
 Carbon
 Raw Ingredients
 Containers & Packaging
 Health
 Human Rights
 Enriching Life

## Our Commitment

## Related SDGs

Based on Suntory's "Sustainable Water Philosophy," we as a group promote activities to preserve water including understanding of the water cycle, reduction, recycling and wastewater management, watershed conservation



In order to promote a decarbonized society and to address climate change, we reduce carbon emissions through the introduction of the latest energy-saving technologies and the use of renewable energy at our facilities as well as in our operations throughout the value chain.



With regard to agricultural products and other raw ingredients that are essential to our products, we cooperate with business partners across the supply chain, identify social and environmental issues, and promote sustainability initiatives that enable us to grow together, thereby enriching our communities.



We consider the environment throughout the product life cycle—from product design, packaging materials, and containers, to transportation and recycling after consumption—and work to achieve a circular economy.



To enrich society, the Suntory Group promotes activities under the following three themes:

### Alcohol products

We contribute to a richer society through beer, wine and spirits, and other alcohol products that bring enjoyment to people, inspire human connections, and play a role in the celebrations and events that mark the milestones of their lives. We are committed to promoting the moderate consumption of our products and encouraging responsible choices about alcohol. We are a leader in working individually and in partnership with industry peers and other partners to reduce harmful consumption of alcohol, including overconsumption, drunk driving, underage drinking, and drinking during and after pregnancy, based on our Drink Smart alcohol responsibility program. We also offer non-alcoholic and low-alcohol products to meet consumer preferences.

### Soft drinks

In addition to leveraging "natural and healthy" beverage development technologies cultivated in Japan, we address health and wellness concerns through our beverages and make our consumers' lives more natural, healthy, convenient, and rich.

### Health foods

In order to contribute to a longer active life, we research the relationship between "the power of nature" and health to support people's health, beauty, and wellness through daily dietary habits.



### Group Employees

In addition to promoting a safe work environment, we promote health management and provide growth opportunities with a long-term perspective. In addition to respect for people and prevention of harassment and other related issues, we promote diversity (including of race, religion, gender, sexual orientation, age, nationality, language, and disability) and inclusion (accepting and valuing the differences between each individual as an important part of who they are). We also ensure labor safety to promote an environment that is easy to work in and full of the "Yatte Minahare" spirit.

### Value chain

In order to contribute to the well-being of all people involved in the value chain, we carefully review and understand our impact on human rights, and cooperate with external stakeholders including suppliers to conduct activities for the protection of human rights.



We provide products and services that enrich peoples' minds and bodies, promote innovation and create new value, and contribute to the creation of a more "human" society. Based on our founding spirit "Giving Back to Society," we address social issues and contribute to enhancing social welfare, including the arts, culture, science, sports, and next generation education. In the regions where we do business, we value dialogue with the local community, and strive to help address local issues to enrich peoples' lives.





# LIVING IN HARMONY WITH NATURE

## Through Water Sustainability Activities Around the World

**The Suntory Group's Sustainable Water Philosophy has been established to address relevant water issues in each of our regions of operation. As we grow globally, we are expanding our work on water sustainability around the world.**

### Globally

Beam Suntory employees around the world participated in Together for Good, the company's first annual global volunteer event in 2018. Nearly 2,000 employees across 13 countries in 54 locations participated in volunteer activities to help protect water and the environment.

### North America

Beam Suntory has established two Natural Water Sanctuaries in North America, including a 33-acre Natural Water Sanctuary on the distillery grounds at Maker's Mark, and a Natural Water Sanctuary on grounds immediately adjacent to the Jim Beam distillery, in partnership with Bernheim Arboretum and Research Forest, to preserve and protect the quality limestone water, restore wildlife habitats, and reintroduce native plants and trees.

Beam Suntory has also completed watershed protection plans at seven of its locations across three countries, and has a goal of establishing watershed protection plans at all of its operation facilities by 2025.

### France

Orangina Suntory France has an ongoing, 20-years water resource conservation partnership with Grand Parc Miribel Jonage, a natural park located near its Meyzieu Plant. Under this partnership, Orangina Suntory France will support nature conservation activities in the park and educational programs for children.



## Nigeria

In 2018, Suntory Beverage & Food Group donated a tank with the capacity for 2,000 liters of safe water to an orphanage in Lagos, Nigeria.



## Kenya

In Nairobi, Kenya, the Suntory Beverage Group is helping to provide access to safe, hygienic drinking water in schools through the Kangemi Resource Centre, a local community support group that aids education and efforts to overcome water shortages.



## Vietnam

In Vietnam, we helped the main schools involved in the Suntory Mizuiku educational program to improve their sanitation environment by repairing and installing toilets, washrooms, and other facilities.



## Japan

In Japan, Suntory is growing the Natural Water Sanctuary program by continuing to expand, now including water conservation and forest preservation activities in approximately 12,000ha in 21 forests, in 15 prefectures in Japan.



## Japan, Indonesia, Vietnam and Thailand

In these regions, Suntory has developed the Suntory Mizuiku - Education Program for Nature and Water, an interactive program Suntory designed to educate the next generation on the importance of water conservation and what each can do to protect this precious resource.



**SUNTORY**