



Our Sustainability Foundations:
SBFE Sustainability
Report 2021/22

SUNTORY
BEVERAGE & FOOD EUROPE

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Welcome from our CEO

Suntory Beverage & Food Europe's (SBFE) roots, in both Japan and Europe, go back a long way. The companies and brands of our heritage were all founded in the spirit of progress, wellbeing and giving back to society. Today, these beliefs are central to our mission to "create harmony with people and nature", and our approach to building a sustainable future.

Expectations for businesses to drive positive change have never been higher, and that's a good thing. We are held to account by our consumers, customers, society stakeholders, and crucially by our employees. We are building a company full of people motivated to create change and drive us to be innovative, collaborative and transparent in facing up to social and environmental challenges. That's where this report comes in.

Businesses, like all of us, face the immediate challenge of balancing the pressure of rising inflation and increased costs with the need to make long-term decisions that will define their future. These challenges will test the commitment of many to their sustainability agendas, and their belief in the power of purpose-driven business to deliver long-term success.

We are fortunate that Suntory has, from the beginning, been built on the idea of long-term thinking. The vision that drives our business strategy today is "Growing for Good". We believe there is a virtuous circle between our success as a company and the good that we can do through our environmental and social actions. Strong business performance and strong sustainability performance are entirely compatible and, in fact, can be closely related.

Since we began our sustainability journey, we have made many difficult decisions based on our belief that progressive change will deliver long-term success. The decision I am most proud of was also one of the hardest: making the choice to significantly reduce the sugar in our UK drinks, well ahead of regulation. The decision made the news. Many consumers were upset, and for a time our sales suffered, but we did build back in the medium

term. Fast forward to today and it is clear we did the right thing. We did what was best for the health of our consumers, with the understanding that we could make a real difference to the sugar and calories in peoples' diets, and help address society's obesity crisis. But it was also a positive decision for our business: we set the benchmark for change in our industry while tripling our sales of no and low sugar drinks over the past five years.

We aim to make these kinds of forward-thinking decisions every day. It's in the retooling of our factories to make our bottles recyclable. It's in our work in France and Spain to regenerate ecosystems around precious water sources. It's in our appointment of a sustainability leadership team and the linking of financial incentives to sustainability targets across our Exec. We are living Growing for Good.

This foundational sustainability report aims to outline the strategy that we have been pursuing to put sustainability at the heart of our business over the last five years and update our readers on the progress we are making towards our targets. Over the next year we will continue to take action while compiling a thorough disclosure of sustainability data as greater transparency becomes the norm in the years ahead. We are proud of the direction our business is heading in and look forward to being held to account for delivering on our promises and beliefs.

Peter Harding, CEO



Growing for Good

“Growing for Good” is our vision for how we do business at SBFE. Its meaning is simple: by driving positive environmental and social change through the decisions we make, we will grow a successful business for the long term. This growth then sets off a virtuous cycle, allowing us to make more change at pace and create more good.

Our Growing for Good strategy brings together the most important social and environmental impacts of our business and drives action that benefits our consumers, partners, employees, and the communities in which we operate. In each case, we want to maximise the positive impact we can make. This means creating drinks that bring joy to people’s lives while keeping them healthy and active, supporting and developing our employees, and engaging with our communities through initiatives that change lives. At the same time, we are working to minimise the negative impacts of our business by reducing carbon emissions and water use, committing to sustainable packaging and ensuring our supply chain is ethical and transparent.

But Growing for Good is not simply a sustainability plan: it is at the heart of our whole business strategy. It compels us to run an efficient and agile company that invests in its people and focuses on sustainability to deliver success. It’s a business model that will drive SBFE forward over the years to come. We will continue to grow our ambition, set targets that will drive positive change, and increase the transparency and frequency with which we report on our progress. Growing for Good is the blueprint for a more sustainable and successful SBFE.



At Suntory we try to embody the spirit of ‘Yatte Minhare’ which represents an ambition to dream big, face new challenges and to never give up. It drives us to be bold, and often pioneering. Our sustainability goals and the progress we’ve already made are no exception. We continue to lead the way on some of the biggest issues in our industry and I’m proud to see how everyone is coming together to truly realise ‘Growing for Good’ across the business.”

Michelle Norman, Director of Sustainability and External Affairs

Suntory Beverage & Food Europe at a Glance

About Suntory Beverage & Food Europe

Suntory Beverage & Food Europe (SBFE) was established in 2014 and is one of five regional divisions of the Japan-based Suntory Group, one of the leading global drinks companies. We're proud to be part of a family-owned business with its inspiring 120-year heritage and we are guided by Shinjiro Torii's founding spirit. SBFE is made up of 3,800 passionate people working throughout Europe on hugely iconic brands including Schweppes*, Orangina, Lucozade, Ribena, La Casera, Oasis*, Pulco and MayTea with a commitment to producing great-tasting, healthier drinks. Everything we do flows from our Mizu To Ikiru promise and our vision of Growing for Good. Being in harmony with people and 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.

**Owned and commercialized within SBFE respective territories*



Our Promise: Mizu To Ikiru

This powerful Japanese phrase translates as "Living with Water", a philosophy that flows through everything we do. Water, precious and powerful, shapes our world and makes life possible everywhere. And water is at the heart of our business as a beverage company.

Our Mission: To create harmony with people and nature

Our founding principle remains unchanged in over 100 years. We want to contribute to people's wellbeing and joy while strengthening the bonds of appreciation between people and the world around them.



Our Vision: Growing for Good

Our vision inspires us to grow our business sustainably. We believe that both growth and good are equally important because the bigger we are, the greater our positive impact can be.

Our Values: Yatte Minahare and Giving back to society

Our values come directly from our founder, Shinjiro Torii. Yatte Minahare was his rallying call to dream big, take up difficult challenges and never give up. It is a culture that we foster among our employees and a powerful reminder to make bold decisions in sustainability.

Shinjiro Torii founded Suntory on a strong belief in giving back to society. We do this through the drinks we produce, but also through our belief in being generous with our time, our resources, and in building long-lasting, mutually beneficial relationships.



Key stats

 **9** production facilities

 **3,400** employees

 **8** iconic brands

Sales in  **80+** countries

 **€1.81 billion**
NSV (2021)

 **2441.7 million litres**
sold in 2021



Suntory is more than a job: it's a place to learn, thrive, develop yourself, a team of employees believing in the same vision and a family sharing the same values. As a young woman I feel empowered to be who I really am, and I know how lucky I am to wake up every day with a smile to go to work."

Marina Perez, Senior Internal Communications Executive



My career experience is the reflection of SBFE's talent management: supportive of employees with the desire to make them grow. What I love about working at SBFE is the culture of taking risks without fear of failure and being around committed and passionate people."

Tristan Pasquet, Ingredients Procurement Category Manager



I am incredibly proud to work for a company who through their vision of Growing for Good have a serious focus on sustainability, generously support many local causes and give back to the community."

Satvinder Dhillon, Packaging Development Manager



Sustainability Strategy Overview

Our sustainability strategy is made up of four key pillars: Our Resources, Our Drinks, Our Society and Ourselves.



Our Drinks Harmony with Consumers

- Less sugar
- Positive choices
- More natural



Our Society Harmony with People

- Empowering communities
- Purposeful brands



Our Resources Harmony with Nature

- Less and better materials
- Less waste
- Respect water
- Reduce emissions
- Procure sustainably



Ourselves Harmony with Employees

- Diverse, inclusive and flexible
- Accountable for our supply chain
- Ethical employer

Our framework was developed by identifying the sustainability issues that are material to the running of our business. We did this with external experts and business leaders, but also with colleagues from across the business through collaborative workshops, ensuring our framework is comprehensive, relevant and meaningful throughout the whole company. This process is not static. We constantly work to identify new and growing issues, integrating them into our framework. This approach has allowed us to be on the front foot with emerging sustainability issues.

Launched in 2018, our sustainability strategy has been rolled out across all markets and functions of SBFE, driving significant progress across our key environmental and social issues, as this foundational report makes clear. However, the sustainability strategy does not sit in a silo – it has been closely integrated into our corporate strategy as a key area of delivery for the business.

Sustainability Governance

By building sustainability governance directly into our day-to-day operations, the responsibility for delivering against our objectives is not siloed. Instead, every member of the SBFE team works collaboratively to make change happen.



Our strategy is supported by a number of external frameworks, initiatives and accreditations. Each pillar and focus area is aligned to one or more of the United Nations' Sustainable Development Goals and our commitments fully support the EU's objectives around healthier food and drink and the circular economy. We're a signatory of the EU Code of Conduct on Responsible Food Business and Marketing Practices. This Code of Conduct provides 'a common aspirational path towards sustainable food systems' and we continue to map and report on our progress against it. We are also an active member of UNESDA, helping to shape and uphold their sustainability commitments.





Our Drinks

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Our Drinks

Drinks are what we do. So, building a sustainable business has to start here. We want to make the best drinks possible for our consumers. Of course, this means great taste and quality, but it also means making sure everything we sell contributes happier and healthier lives. We've already made great progress in making our drinks healthier by reducing sugar and increasing natural ingredients.

In the UK alone, we've removed 98 billion calories from people's diets since 2015. This is important work: health, wellbeing, and tackling the obesity crisis are key issues for our industry. But our work doesn't stop there. Our portfolio of soft drinks, and the way we talk about them, is continuously evolving to make healthier choices easier and more enjoyable.

We are:

- Reducing sugar to meet our target of a **35% reduction by 2025**.
- Giving customers all the **nutritional information** they need about our drinks to make informed decisions.
- Actively contributing to UNESDA's new **health and nutrition commitments**, with particular focus on responsible marketing. We do not market to children under 13, or under 16 in the UK.
- Increasing our use of natural ingredients and **reducing artificial colours** and flavours. In 2021 we achieved an 81% reduction in the use of artificial colours and a 71% reduction in the use of artificial flavours.
- Keeping our consumers safe by ensuring we provide **high quality products** and implementing **quality assurance measures** for all our processes.



The great taste of our iconic drinks is the reason I wanted to join SBFE in the first place – they're just brands that everyone loves. But at the same time making healthier choices is more and more important to all of us. So it's amazing to see the results of the innovation and reformulation we've been doing across our portfolio. We're giving our customers healthier choices that stay true to everything they love about our drinks. That really feels good."

Vincent Meron, SBFE Chief R&D Officer



Spotlight on: Less Sugar

At SBFE, we're proud to have been an industry leader in sugar reduction, and continue to push the boundaries for great tasting, healthier soft drinks. In 2006, we started reducing sugar across our drinks.

In 2015, the companies that make up SBFE came together to develop a long-term ambition to reduce added sugar by 35% across our portfolio by 2025. This greatly exceeds the industry combined commitment of 10%. Today, we see healthier nutrition as one of the key components of our sustainability strategy.

Reformulation of drinks, particularly iconic flavours like Orangina, Lucozade and Ribena, is no small feat. The research and development required means significant investment over a long period of time, with our taste and nutrition experts working tirelessly to innovate, seek out new approaches, and share best practice across the world. We don't always get it right first time, but over an extended period we have been progressively reducing sugar across our whole range, and the results continue to be delicious. Healthier drinks that retain the great taste we all love means ticking all the boxes.

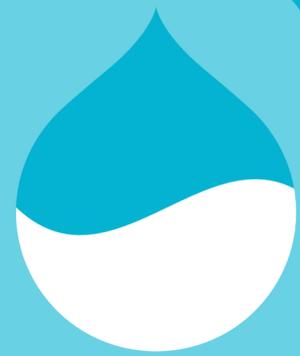


My team is part of a global network of experts who share best practice and experience and bring these insights into our business. It's great to see the passion we share in seeking out emerging ingredients and different technologies that allow us to continue to innovate."

Zafer Gezgin, Principal Scientist

35%

our target to reduce the amount of added sugar in our drinks by 2025



207
the number of drinks across our European portfolio which we have already reformulated

Spotlight on: Less Sugar

23%

the amount of added sugar content we have already voluntarily reduced in our drinks since 2015, across SBFE

25,000

the number of tonnes of sugar we have removed across our core drink range in the UK and Ireland



In France, our new May Tea brand, Les Eaux de Thé, contains 70% less sugar than the average drink on the market.

42%

the amount of sugar content we have reduced across our drinks in Spain since 2015

25%

the amount of sugar content removed from the Polish portfolio in 2021



In the UK and Ireland on top of removing 98 billion calories across our core drink range since 2015, we have introduced a zero or low-calorie alternative for each of our most famous drinks.

Our move towards healthier drinks also reflects, and contributes to, a wider change in consumer preferences. Over the last five years, sales of our low and no sugar drinks (less than 5 grams added sugar per 100ml) have tripled. In France, where our sugar reduction strategy has avoided no-calorie sweeteners, we have nevertheless managed to reduce sugar in Oasis by 24% since 2006, by slowly changing expectations around sweetness.

Our sugar reduction strategy in the UK was bold and industry leading. We took a risk on significant reduction ahead of regulation and weathered the media storm that followed. It paid off – our business in the UK is thriving, and we carved a path for others to follow. We love the fact that our drinkers are embracing healthier choices and we are motivated to give them more of what they want.



Our Resources

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Less and Better Materials

Our Resources

We understand the impacts our business can have on the planet and we aim to minimise our environmental footprint throughout the lifecycle of our products.

At the start of the drinks-making process we think carefully about how we source the water, fruit, and other ingredients we need. Our products are bursting with natural fruit flavours and fresh water, so it's important to us that we use ingredients in a responsible way. In production we look at how waste of every kind can be reduced. We are also making significant changes in how our drinks are packaged and distributed and, once they've been enjoyed, where that packaging ends up.



Our progress towards carbon reduction

Scope 1 and 2 emissions



Target:
50% reduction by 2030



2021 progress:
22% reduction

Scope 3 emissions



Target:
30% reduction by 2030



2021 progress:
16% reduction

Carbon

We are:

- Reducing carbon emissions to hit our 2030 targets and moving towards our target of **net zero by 2050**. In France and Spain we have reduced carbon emissions per litre of product by around 35%, in part through our Europe-wide **switch to 100% renewable energy**. A proportion of the energy we use comes from our own home-grown green energy.
- Relocating and optimising our warehouses to reduce emissions from transportation and moving to **net zero transportation by 2030** in Spain, where today 56% of our vehicle fleet is already eco or zero emissions and 23% of our fruit is grown within 100km of the production plant.

Packaging

We are:

- Committing to **100% sustainable plastic packaging by 2030** – the first global drinks company to do so – based on next-generation green technologies and ambitious interim targets for recycled materials.
- On track to deliver against our target of **100% recyclable packaging by 2025**.

Water

We are:

- Aiming for a **20% reduction in water use** across our operations by 2025 through more efficient practices, and **investing in water ecosystem regeneration** projects.

Waste

We are:

- Recycling 95% of waste from our factories, by the end of 2022, we aim to hit our target of **zero waste to landfill** in our operations.
- **Reducing food waste by 50%** by redirecting surplus products to foodbank charities who support those in need.

Traceability

We are:

- Closely tracing where our ingredients come from and the environmental and social conditions in which they have been produced, processed and sold. This involves working directly with our network of fruit farmers to **mandate sustainable farming and biodiversity practices**, as well as joining the **SEDEX responsible supply chain platform** to monitor our wider operations.
- Working with Ribena blackcurrant farmers to ensure a sustainable future for the fruit. This has involved **employing an agronomist to advise on biodiversity plans**, working with the James Hutton Institute to develop new species that are more resilient to future climate change impacts, and beginning to work on ideas to do with sustainable farming and regenerative agriculture.



In the UK we have been partnering with the charitable food redistribution network Fareshare since 2018. This has allowed us to save over 560 tonnes of our drinks that would otherwise go to waste and redirect them to those in need. Daily stock management and a zero waste to landfill policy at our UK manufacturing site and offices means that, alongside our Fareshare partnership, we also have strong relationships with food banks in the Forest of Dean, Gloucestershire and near our offices in London and Dublin. In 2021 we donated 703,276 drinks to frontline charities.



90% of blackcurrants grown in the UK are used to make Ribena. Since 2004 we've been creating biodiversity plans for our growers, tailored to the individual habitats around their farms. This has helped restore 200 miles of rough field margins, build more than 2,000 nest boxes, and sow more than 717 acres of pollen and nectar-rich plants.



The sustainability changes we've made on the factory floor over the last few years have been huge. New machinery, new processes to reduce water waste, and completely new ways to bottle and label our drinks so they use less plastic and can be recycled more easily. It's a lot of change to work with, but it's fantastic to be part of driving such a positive transformation."

Daniel Gray, UK Manufacturing Sustainability Manager





Spotlight on: Respect Water

Water is part of everything we do as a business. Protecting this precious resource for future generations is a key part of our Mizu to Ikiru promise. To fulfil this promise we are constantly innovating to reduce water consumption in our operations and investing in the ecosystems surrounding our water sources.

We aim to reduce water use in the production of our drinks by 20% by 2030, and we are on track to achieve this goal. We're achieving this by investing in new technology to reduce water consumption and creating new internal initiatives to be as water efficient as possible. For example, in 2020 our UK business invested £13 million in a new high-speed filling line that uses 40% less energy and water to operate.

In France, we have a 20-year partnership with Grand Parc Miribel Jonage (pictured), located near our Meyzieu plant, to help preserve and restore the precious and biodiverse alluvial forest around the Rhône river and provide ecological education programmes for local families.



Our progress in reducing water use

 **Target:**
20% reduction in our direct operations by 2030

 **2021 progress:**
12% reduction

Spotlight on: Respect Water



Alongside the work in our factories, we are respecting water through projects that preserve aquatic environments around our water sources and provide education in water conservation. In Spain, our Guardianes del Tajo initiative operates in the Guajaraz reservoir, which supplies our Toledo factory. The project works to improve water quality, conserve and improve biodiversity, and tackle water scarcity by increasing the quantity of water supplying the local town. It also engages the public in issues surrounding the water ecosystem: more than 500 children from schools in Toledo have been educated about water and its responsible use through Suntory's MIZUIKU programme. A large number of experts have been involved in bringing Guardianes del Tajo to life, including representatives from ECODES, the University of Alcalá and the Tagus Hydrographic Confederation.



I'm so proud of our water projects across Europe that work to protect the aquatic ecosystems around the areas where we all live and work. I've been involved in Guardianes di Júcar in Spain and it's been such an exciting project: not only redeveloping biodiversity, but doing it alongside the local communities that will benefit most. Our company wouldn't exist without water, so it's inspiring to be able to do something to celebrate and nurture it."

Paula del Rio Sousa, External Communications Manager, SBF Iberia



Spotlight on: Less and Better Materials



The sustainability of our packaging, and what happens to it when it's empty, is hugely important to us. We also know it is something that everyone – our customers, our consumers and the public – cares about deeply. In terms of packaging, the soft drinks industry has been built around convenience first and foremost. Now, there are other priorities and it is our job to make these bottles and containers as sustainable as possible.

Even small tweaks to packaging can make a huge difference. Our Ribena brand is testament to this. Ribena has used recycled plastic bottles for over 10 years. Yet in the past couple of years, replacing plastic straws with paper ones has removed 16 tonnes of plastic from cartons. Replacing the bottle's full plastic wrap sleeve with a small label has removed a further 200 tonnes.



Our progress on sustainable packaging



Our 2030 target:
100% sustainable plastic packaging



Target:
100% recyclable packaging by 2025



Target:
Minimum of 50% recycled plastic in our bottles by 2025



2021 progress:
Average 77% recyclable



2021 progress:
Average 18% recycled plastic

🔍 Spotlight on: Less and Better Materials

Completely reinventing our packaging is one of the biggest investments our company has ever made, and one of the most important.

In September 2019 we announced our goal to be the first global drinks company to use 100% sustainable plastic packaging by 2030. This is such an important subject that we think it's worth spending a bit of time on the geeky stuff. What do we mean by sustainable plastic packaging? We mean using plant-based materials, recycled plastic, or plastic that is not made using fossil fuels, all of which have a drastically lower carbon footprint. Plastic is precious, so we want to collect and recycle as much as we can to create new bottles. Repeat this process and you've got the circular economy that we're working towards. However, committing to using rPET – recycled plastic – is not enough. Current recycling technologies mean that the end product of recycling is not pure enough to be used to make a whole new bottle. We want to be part of creating a better solution. In 2019 we invested in the Carbios consortium, which is developing a pioneering 'enzymatic' recycling technology that completely breaks down plastic during the recycling process, allowing it to be infinitely recycled back into what it came from – our bottles. It's a real game-changer for the circular economy.

In 2021 we unveiled the world's first bottle made from 100% enzymatically-recycled plastic – the most beautiful bottle of Orangina we have ever created.

At the same time we showcased the prototype for our new 100% plant-based bottle made from wood chips and molasses. And we are moving quickly towards our target of making our entire portfolio completely recyclable by 2025.



The global issue of plastic waste requires transformational thinking, creative partnerships, and innovative brands coming together to seek out new solutions. Continued investment in new ways of tackling waste and creating true circularity such as this ground-breaking technology from Carbios will be key to us achieving our 100% sustainable plastic ambition”

Alistair Sayers, Packaging Director





Our Society

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Empowering Communities

Our Society

Suntory's founder, Shinjiro Torii, launched the company in 1899 based on a belief in giving back to society. It is a belief that continues in SBFE today, not only through our charitable donations, but also through the partnerships and programmes we create and the roles our brands play in society. Positive change comes from building strong relationships that enrich lives and create a lasting impact. We therefore focus on purposeful collaborations with relevant and authentic partners.



It feels great to work at a company that creates opportunities for its employees to give back to the community. I love being part of the 'Lazos telefónicos' project with the charity Adopt a Grandfather. Once a week I speak to the elderly person I have been partnered with and now I really look forward to our conversations. This programme has helped me grow as a person and it's wonderful to see how a little bit of my time can make a huge difference to someone's life."

Maria Luisa López García, Portfolio and Programme Manager, SBF Iberia

We are:

- Running high-impact community programmes to **remove barriers to young people's education**. In France we are working with charities to lower rates of school dropout. In the UK our Lucozade brand has been working for years to **empower young people**, most recently through a partnership with Apprentice Nation.
- Empowering our employees to take a 'Growing for Good Day' every year to **volunteer in their local community**. In Spain, our volunteering focus is on our water projects and intergenerational connection, as well as supporting the Red Cross with **disaster relief during emergencies** such as the volcano eruption in La Palma.
- Tackling social exclusion and poverty in the markets in which we operate, such as through our **partnership with Secours Populaire Français**.
- Through our business in France, **supporting environmental charities** around the world that help local communities protect their environment and encourage sustainable development.
- **Supporting food banks** in the Netherlands, Belgium, Poland, Ghana and Trinidad, financially as well as with product donations.
- Continuing some of the work we did during the Covid-19 pandemic to **deliver surplus products to those in need**. During Covid we delivered over 2 million drinks to frontline care workers, as well as donating PPE and gathering generous donations from our employees.

Spotlight on: Empowering Communities

Unlocking Potential in the UK

Since 2018, our UK business, and in particular our Lucozade brand, has been focused on helping young people achieve their potential. We believe that while potential is universal, opportunity isn't. Successive SBFE programmes in the UK have set about being part of changing that.

In 2018 we launched B Active, a three-year programme that used the power of sport and exercise to forge career paths and positively impact the lives of 16-24-year olds living in underprivileged communities. The programme delivered exciting results, helping over 10,000 young people develop their skills, including nearly 2,500 who left the programme with a recognised vocational qualification.

The success of the programme, as demonstrated in an independent evaluation designed by Leeds Beckett University, gave us a new idea. We immediately launched a follow-up programme called 'Coach the Coaches'. The programme works with young people who live in some of the most economically-deprived areas of the UK. It aims to improve their confidence and employment prospects through peer-to-peer mentoring in sport.

At the same time, Lucozade launched a flagship partnership – Unlock Your Potential – with Apprentice Nation, a pioneering platform using the power of music to help young people gain skills and employment. The new collaboration is about helping young people from disadvantaged backgrounds and underrepresented communities get a start in their careers, unlocking the potential we know they have. Lucozade will be providing mentors to the Apprentice Nation platform, holding events, and offering work experience opportunities at SBFE.



🔍 **Spotlight on:** Empowering Communities

Between 2018 and 2021 B Active:

Helped
3,699
young people volunteer
in their community

Helped the development of
10,703
young adults in five UK cities

Awarded
2,312
young people with accreditation in
recognised vocational qualifications

94%
of participants said B
Active had been a positive
turning point in their lives

74%
thought they had
greater career
opportunities because
of their participation



B Active has helped me to grow and achieve and has given me the chance to complete my Sports Leaders Level 2 Award, which developed my employability skills and inspired me to pursue a career in sport. It has also kept me disciplined, given me a purpose and provided a focus away from negative behaviour."

Ellie O'Brien, B Active Manchester





Ourselves

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Diverse, Inclusive and Flexible

Ourselves

Creating positive social impact starts with our core business, and the Suntorians that make up our talented team. This means building a culture and a workplace that supports, includes, and develops our employees, so that everyone can flourish. And we mean everyone. We are at the beginning of our diversity, equity and inclusion (DE&I) journey, but are making concrete and meaningful progress. The wellbeing and safety of our team is one of our most important responsibilities. We are also accountable for the wellbeing of people who work in our supply chain, providing the ingredients and materials that make our business work. In every part of our business and every stage of our value chain, we strive to run a good, ethical business.



We encourage everyone to bring their best selves to work, and we're there every step of the way to support and enable this. We prioritise the health and well-being of all our employees, ranging from active and physical well-being programmes right through to mental health support."

Catarina Bijlard, Chief Human Resources Director, Suntory Beverage & Food Europe

In 2020 we rolled out a shiny new digital learning platform to make sure Suntorians can keep expanding their know-how. MySu is an online and mobile platform that offers over 60,000 courses and resources on topics as varied as sustainability, data visualisation, building resilience and how to lead virtual meetings. Truly inclusive, the courses are available in six languages.

We are:

- Working collaboratively with our employees through our DE&I Taskforce to **create and launch our SBFE-wide DE&I strategy**, led by our CEO, with meaningful action already being taken across the business.
- **Championing flexible working** wherever it is practical, giving our employees the power to **decide how they work and collaborate with others**. This new SBFE-wide policy was created based on what our people have told us is important to them in the post-pandemic world.
- Supporting and nurturing the **talent and career development** of our employees through internal training, including role-specific skills development and management advancement programmes. All our employees are enrolled in MySu, our **Suntory University** that provides training opportunities for every area and level of the business.
- Empowering our employees to **spend a day each week 'in the gemba'** – getting out of the office to spend time with our customers, partners, and the communities in which we work.
- **Increasing transparency across our supply chain** through our partnership with SEDEX, and ensuring that high standards of working conditions, pay and wellbeing are being upheld at all points.
- Using our supply chain transparency to **create positive environmental and social outcomes**, supporting suppliers and partners to put in place their own sustainability strategies and actions.
- Ensuring **high health and safety standards** across all our manufacturing sites.
- Operating our business **ethically, prioritising compliance training** for every employee across all areas relevant to their role



Spotlight on: Diverse, Inclusive and Flexible

We can only achieve our Growing for Good vision if we have a diverse and equitable workplace, and an inclusive working culture where everyone can bring their authentic self to work.

Why? There are so many reasons why. A more diverse, equitable and inclusive workplace will make us better connected, stronger and happier as a community. It will improve the work we do, the insights we identify, the creativity we are capable of. It will benefit our employees, our business and our brand. And we hope that it will be part of ensuring a more equitable and inclusive world.

We began to formalise our approach to DE&I in 2019, led by our CEO. In 2020, we created a DE&I Taskforce, which was open to all employees. Over 70 people from different backgrounds across each of our markets joined the Taskforce, sharing their experiences, their insight, and their understanding of both DE&I issues and SBFE's business day-to-day. Working collaboratively with the Taskforce and external DE&I experts, in 2021 we launched our SBFE DE&I strategy.

It's encouraging to see the positive feedback we have been getting from the Taskforce and the wider business. However, we are very much still in the foundational stages of our DE&I work. In continuing to make progress we are committed to listening, taking action, iterating, and collaborating with others to create a more inclusive experience and fairer outcomes for everyone associated with our business.



🔍 **Spotlight on:** Diverse, Inclusive and Flexible

Our DE&I actions to this point have included:



Hosting a listening exercise to **hear the experiences of our employees and reflecting** them in our strategy development



Updating some of our key employee policies with a **DE&I lens in the UK**



Creating an open-access, company-wide **DE&I Taskforce**



Launching **regular all-company DE&I communications**, including those that are guest edited by internal subject experts



Developing an **all-company DE&I training module**, to be launched later this year



Developing a **DE&I mission and vision**



Running **DE&I training** with our SBFE Excom, and with our recruitment team



Launching our **SBFE DE&I strategy**



Being part of the SBFE DE&I Taskforce has been a really empowering experience. Over the last two years it feels like we've made a big contribution to the action that SBFE is taking on diversity, equity and inclusion issues, and our voices have really been heard. None of us have all the answers, but together we are making a positive impact on the lives of our colleagues and wider communities."

Laia Gomez Valle, R&D Portfolio Manager and DE&I Taskforce member



🔍 **Spotlight on:** Diverse, Inclusive and Flexible

Our Suntory Beverage & Food Europe DE&I mission statement

The What

DE&I is about the composition of our workforce and supply chain, the experience people have within our organisation and the way our brands operate in society, innovate and communicate. Inspired by our Founders Attributes our mission is to create a company where everyone is welcome, treated fairly, made part of our community and supported to thrive.

The Why

Pursuing our DE&I mission will make us better connected, stronger and happier as a community, and will benefit our employees, our business and our brands. We also hope it will make a step towards creating a more equitable and inclusive world.

The How

With humble determination we will work to create a more diverse, equitable and inclusive organisation – this is a commitment that we enter into with our employees and partners, for the long term. We will be authentic, listen, take action, iterate and collaborate with others to create a more inclusive experience and fairer outcomes for everyone associated with our business.

Our action will include delivering training, refreshing our policies, and providing space and support for our employees to contribute to our shared agenda. We will also make our expectations and our commitments as an organisation, clear for everyone so we can move forward together.



Looking Forward



This foundational report aims to bring into one place some of the most crucial sustainability actions and commitments that we have been making happen over the last five years at SBFE. It is the first public document that formalises our sustainability strategy and provides an update on our progress. But there is a lot more to come from us.

Firstly, there will be a lot more action, building on the steps we have taken to get to this point. We have bold targets in place in all key areas of our sustainability strategy, and we are committed to meeting them. All of our markets are making significant progress, and our amazing SBFE team is passionate about continuing to demonstrate how Growing for Good is an industry-leading business model for profitable and sustainable growth.

Secondly, we are going to be going a lot further on reporting and transparency. In 2023 we will be publishing our first full sustainability report, including detailed disclosures on all our material sustainability issues. This report will provide a benchmark for our progress and hold us to account on delivering against our commitments and targets. The process of collecting data for this report has already begun, and we are excited to share it with you next year.

Finally, we will be pushing the boundaries to go even further on our commitments. For example, we have reinforced various sustainability targets to make them even more ambitious, such as increasing our water reduction target from 15% to 20%, and making our GHG targets more ambitious in line with the adjustment of IPCC's target to 1.5 degrees. We will continue to look for new solutions, like we did with our investment in Carbios sustainable plastic, and pursue sustainable opportunities wherever we can. It's the Growing for Good way; the way we do business at SBFE.

If you would like to know more about what we are doing to drive sustainable change and follow our progress and future plans, please visit <https://www.suntorybeverageandfood-europe.com/en-GB/sbfe/sustainability/>

Numbers at a glance

Our Drinks

Sugar Reduction

Target	Progress
Reduce the amount of added sugar in our drinks by 35% by 2025	23% reduction

Our Resources

GHG Emissions

Target	Progress
Reduce amount of Scope 1 and Scope 2 emissions by 50% by 2030	22% reduction
Reduce the amount of Scope 3 emissions by 30% by 2030	16% reduction

Water Use

Target	Progress
Reduce amount of water usage in our direct operations by 20% 2030	12% reduction

Plastic and Packaging

Target	Progress
100% sustainable plastic packaging by 2030	
100% recyclable packaging by 2025	Average 77% recyclable
Minimum of 50% recycled plastic in our bottles by 2025	Average 18% recycled plastic

SUNTORY
BEVERAGE & FOOD EUROPE

