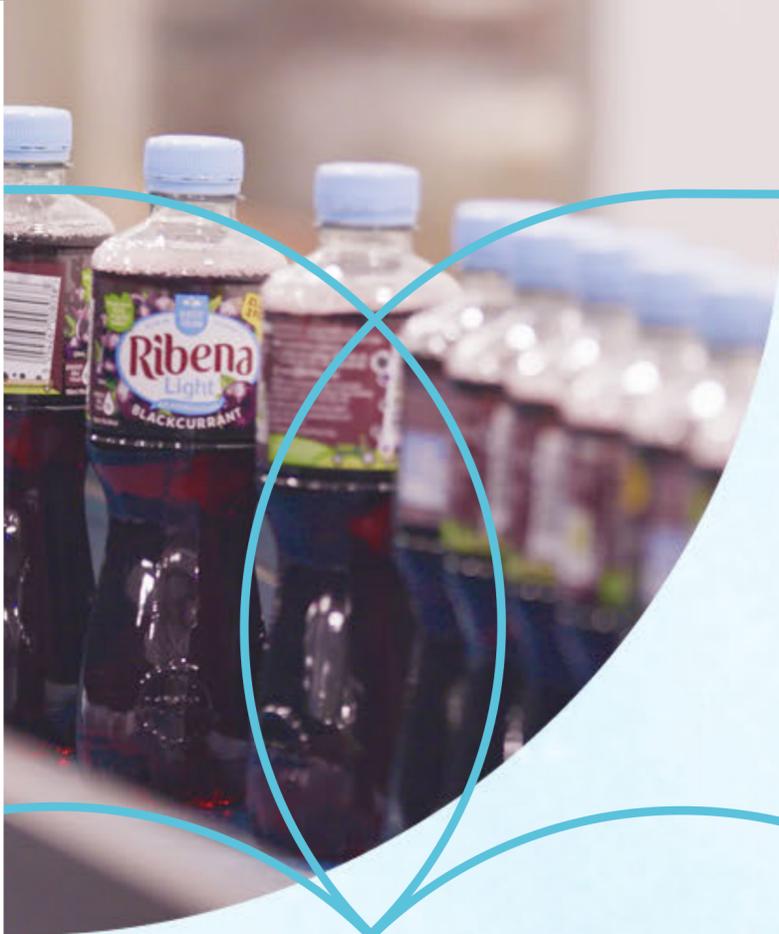




SBFE Sustainability Report

2022

Contents



Introduction

This is our second sustainability report, building on the foundational report we published last year. It covers calendar year 2022. Our scope 1, 2 and 3 carbon data and our water reduction data has been independently assured by KPMG.



Letter from our CEO

As an active advocate of sustainability, I have found this an exciting year. Of course, it has contained many challenges, as like all businesses, we have struggled with the cost-of-living crisis, global events, and the growing reality of the impacts of the climate crisis. But it has also contained developments that give me hope for the future.

At SBFE, we have re-energised our purpose and values, doubling down on our desire to contribute positively to the world around us in both what we do and the way in which we do it, while also making progress across our Growing for Good sustainability framework. Looking beyond our organisation, I have been given the opportunity to aid and accelerate the transition to a more sustainable and healthier food system across Europe, through my appointment as President of UNESDA, the European Soft Drinks Association.

The power of business to create positive change is the thread that runs through all of these developments, and it is something I believe in passionately. This comes to life in our new purpose, which captures our desire to 'inspire the brilliance of life,' and celebrates the role our products and brands can play in people's experiences with each other. It comes to life in our long-held value around 'Growing for Good' which combines with the new purpose to set out how we deliver it – growing in an inclusive way that benefits all stakeholders. It comes to life in our renewed and continued emphasis on taking

action to meet our sustainability targets and lead where we can. And it comes to life in my new role at UNESDA, an organisation which recognises the important role our sector plays in the economy, the jobs we support across Europe, and the way our industry can drive sustainable change, with a particular focus on the circular economy and action to make packaging more circular and sustainable.

It is with all this in mind that I am delighted to welcome you to our first full sustainability report, which builds on the foundational report we published last year and provides both narrative and data updates across all the four pillars of our framework. Notable achievements include a 24% added sugar reduction across our portfolio from a 2015 baseline, publication of our open-source DE&I Diversity Dictionary, and the impending launch of Together for Good, a new way for our employees to come together and demonstrate how we are living our company value of 'Giving Back to Society.' It is part of our overall efforts to provide ongoing transparency around our actions and results and invite stakeholders to hold us to account around our ambitions and commitments.



Peter Harding
Chief Executive Officer,
Suntory Beverage & Food Europe

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 an inspiring 120-year heritage and we are guided by Shinjiro Torii's founding spirit. SBFE is made up of 3,400 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.

*Owned and commercialized within SBFE respective territories

Key stats



€2.11 billion

NSV (2022)



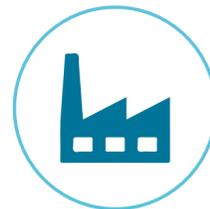
8 iconic brands



Sales in

80+

countries



9 production and research facilities



2.69 billion litres

sold in 2022



3,400

employees



Our Philosophy

This year, we unveiled our new purpose, to *inspire the brilliance of life, by creating rich experiences for people, in harmony with nature, along with the values that our employees should embrace to achieve it: Growing for Good, Yatte Minahare and Giving Back to Society.*

While these are not new concepts for us, this rearticulation of our philosophy aims to encapsulate what we value and embrace most as a business. We are not just a manufacturer of products. We are a company that creates rich experiences, joy and inspiration, in each and every one of our consumers and customers.

We are also keenly aware that the “brilliance of life” cannot be achieved without the brilliance of the earth and society. Our purpose is therefore supported by the idea of Growing for Good, which is one of our three values as an organisation, as well as the organising idea and frame for our sustainability strategy. Growing for Good sets out our focus on sustainable growth – born from our belief that both good and growth are equally important, and intimately connected to each other. The bigger we are, the greater our positive impact can be.

This vision applies to the company as a whole and each individual. It’s not just about supporting the company’s growth, but growing ourselves: learning and trying new things, and becoming better in everything we do. And it is not something that we simply aspire to, it is a mindset that drives our business every day. A mindset that compels us to run an efficient and agile company that invests in its people and focuses on sustainability to deliver success.



We want to be a company that always has a positive impact on its community. We want a better future for everyone, and we take concrete steps to make that happen.

Our Philosophy



Our purpose

To inspire the brilliance of life by creating rich experiences for people, in harmony with nature.



Our values

- **Growing for Good:** We are committed to inclusively growing. As we expand our reach, operating footprint and global influence, we strive to benefit all stakeholders and contribute to society.
- **Yatte Minahare:** With the conviction to challenge convention and the courage to dream the impossible, we willingly pursue bold goals with tenacity, undaunted by failure. Innovation isn't easy, but by forging ahead, we'll find a way.
- **Giving Back to Society:** We reinvest our profits not only to advance our business and people, but also to better society and the environment. We dedicate our time and skills to enrich the lives of others in the communities in which we live and work.



Our behaviours

Our behaviours, called Suntory Leadership Spirit, define exceptional performance with a set of competencies across all Suntory Group companies. These behaviours are used to measure employees' "How," and are weighted equally with performance against their goals (their "What").

- **Yatte Minahare:** Acts with a pioneering spirit, commitment and strong will to create value and deliver results. Cultivates innovations through experimentation and learning from success and failure along the way.
- **Gemba Focused:** Acts with a Gemba mindset to gain insight on the needs of consumers, customers and colleagues, identifying new opportunities to create and deliver value.
- **Better Together:** Works collaboratively with others across teams and boundaries. Encourages diverse perspectives and creates an inclusive culture that breaks silos, works beyond hierarchies and leverages our collective power.
- **Future Oriented:** Anticipates future possibilities and takes an enterprise-wide view, balancing immediate needs with a long-term perspective. Develops appropriate plans in the context of our value of "Growing for Good."
- **Commitment to Growth:** Demonstrates commitment to personal growth of self and others. Takes a holistic and long-term approach to balancing personal well-being and career progress with organizational goals.

Growing for Good

Our Growing for Good sustainability strategy sets out 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. Our overall goal is 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.

Our Growing for Good framework forms the basis of our Growing for Good strategy. It is made up of four key pillars: Our Resources, Our Drinks, Our Society and Ourselves. The framework was first developed in 2018 following a materiality process to identify the sustainability issues that are material to the running of our business. To ensure it was comprehensive, relevant and had meaning throughout the whole company, we engaged external experts and business leaders, and also colleagues from across the business through collaborative workshops. However, we know this cannot be a one-off process. That's why 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, such as biodiversity.



Our strategy is underpinned by our [Sustainability Policy](#). This Policy sets out our approach to sustainability across SBFE, as well as some additional sustainability commitments, such as to comply with relevant environmental and sustainability laws and regulations, to develop management systems throughout our operations to continuously improve our sustainability performance, and to engage and educate our employees on sustainability issues and requirements to ensure accountability is embedded across the business.

Our Growing for Good strategy is closely integrated into our corporate strategy as a key area of delivery for the business. Each year, as part of our SBFE strategic priority setting, we define a set of sustainability priorities based on our business needs, stakeholder input and external factors.

In 2022, our four sustainability priorities were:



Sustainable packaging with a focus on plastic



Sugar reduction

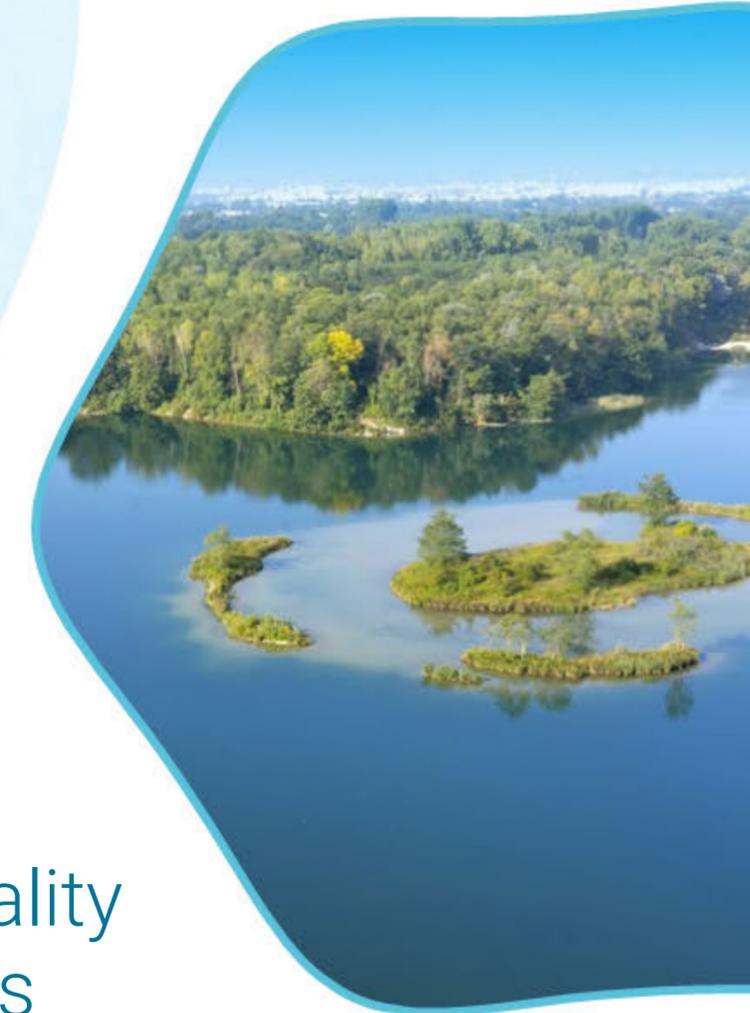


Reducing our CO₂ footprint



Giving Back to Society

These priorities were communicated to all employees across SBFE.



Our materiality process

In 2022, we undertook a new materiality process to refresh and update our understanding of our social and environmental impacts, and used this as a key input to refresh our framework and strategy to ensure it continues to reflect our business and the world around us.

This process has involved benchmarking SBFE against industry peers, reviewing external sustainability standards and ratings, surveying employees across the business, speaking to external experts, and collaborating closely with our Risk function. The results of the materiality process will provide the foundations for an evolved version of our sustainability strategy in 2023.



Bottling factory in the UK

Stakeholder engagement and partnerships

Our Growing for Good strategy and sustainability priorities are continually informed by the perspective of internal and external stakeholders. We maintain an ongoing dialogue with these stakeholders through a variety of channels. Maintaining this dialogue ensures that we act on the issues that matter most to our stakeholders and which will impact on our long-term business success.



We know we cannot solve the sustainability challenges we face alone – collaboration is essential. That’s why we also participate actively in external initiatives and membership associations to increase the impact we have and to help us deliver our purpose and sustainability strategy. While we contribute to a much broader range of initiatives, our key partnerships, projects and associations are set out below.

- [Apprentice Nation](#)
- [Carbios](#)
- [Cool Farm Tool](#)
- [FareShare](#)
- [The Farming and Wildlife Advisory Group](#)
- [Secours Populaire](#)
- [Sedex](#)
- [Science-Based Targets Initiative \(through Suntory\)](#)
- [Sustainable Agriculture Initiative](#)
- [Signatory to the EU Code of Conduct on Responsible Business and Marketing Practices](#)
- [UNESDA, BSDA, BRF, ANFABRA, WFA](#)

Our approach to stakeholder engagement:

● Business partners and suppliers

We regularly engage with business partners and suppliers across our value chain to improve product quality and share sustainability best practice.

● Consumer and customers

We respond to consumer enquiries, complaints and comments through channels including our consumer contact centres and social media, and we engage with consumer groups to gather feedback on our products and marketing. Dialogue with customers is maintained by our commercial team and through customer performance surveys. We also provide brand and company updates on our website.

● Governments, NGOs and civil society organisations

We meet with governments, NGOs, and civil society organisations on a regular basis and engage with them through our participation in relevant industry forums and stakeholder consultations. We also ensure we disclose company activities that may be of interest to them on our SBF E website.

● Employees, other workers and trade unions

We connect regularly with employees through our surveys and engagement forums and provide a whistleblowing hotline for raising issues of concern. We also communicate information to employees through our company channels.



Progress against our priorities:

Pillar	Target	2022	Status
Our Drinks	35% less added sugar in our drinks by 2025	24%	Needs attention to meet target
	Double the volume of drinks sold with sugar below 5g / 100ml by 2025, from a 2015 baseline	2.8x	On track or ahead
Our Resources	50% reduction in Scope 1 & 2 GHG emissions by 2030, from a 2019 baseline	18.9%	On track or ahead
	30% reduction in Scope 3 emissions by 2023, from a 2019 baseline	12.9%	Not on track to meet target
	100% sustainable plastic packaging by 2030		On track or ahead
	50% recycled packaging in our bottles by 2025	36%	On track or ahead
	100% recyclable packaging by 2025	75%	Needs attention to meet target
	Zero waste to landfill from SBFE owned factories and warehouses by 2023	1.1%	Needs attention to meet target
	100% of our recyclable waste from SBFE owned factories and warehouses recycled by 2030	95%	Needs attention to meet target
	50% reduction in food waste by 2050, from a 2019 baseline*	11%	Needs attention to meet target
	20% water intensity** reduction in our direct operations by 2030 (against 2015 baseline)	15%	On track or ahead



*Data based on old scope, pending recalculation. Scope for food waste has been redefined in 2023 to cover 100% of SBFE food supply chain and to exclude food redirected to animal feed or food banks
 **Volume of water withdrawn per kilolitre of production

How We Manage Risk

At SBFE, our GRCL (Governance, Risk, Compliance and Legal) function is responsible for minimising and managing risk, securing best practice compliance, and driving ethical behaviour.

The function, which is comprised of Risk, Internal Controls, Internal Audit and Legal, is led by the SBFE Chief GRCL Officer, who is a member of the SBFE Executive Committee. Together, the Risk and Internal Controls teams help to safeguard the business by ensuring a strong control environment is in place, that risks are identified and mitigated with appropriate control mechanisms, and that those controls are communicated and monitored.

Risk identification takes place at a variety of different levels within SBFE as part of an on-going cycle of risk management. Multiple channels and sources of internal and external information are used to identify risks, such as internal risk workshops and publicly available risk briefings. Any employee can identify and log new risks using the SBFE risk management portal. New risks are reviewed by the SBFE Risk Management team before being assigned to the appropriate process and/or owners for assessment.

Risks are assessed using a standardised set of assessment criteria focused on four key measures (impact, likelihood, velocity and management preparedness). The assessment of risks is conducted by internal subject matter experts, who act as Risk Owners. Risk Owners have responsibility for ensuring that risks

are properly managed with appropriate mitigations and action plans defined and acted upon. Each risk is also assigned an Executive Risk Owner, a member of the SBFE Executive Committee, who has overall responsibility for the assessment and appropriate mitigation of the risk.

Risks are monitored and reported on, on an on-going basis, through a Risk Management platform, which can only be accessed by the Risk and Internal Controls teams. This enables the SBFE Risk Management team to maintain a holistic overview of the process, progress, and total risk portfolio of SBFE in order to ensure on-going management of key risk. ESG risks, including climate risks, form part of the SBFE total risk portfolio and are incorporated into this risk management process. The CEO is the Executive Risk Owner for all climate related risks, while the Sustainability Director acts as the Risk Owner and is responsible for their assessment and management. In 2022, the Suntory Group conducted an assessment of the climate related risks and opportunities that effect the business and society. This assessment was published on the Group's website as part of its TCFD disclosure.

In 2021, SBFE also conducted an ABC risk assessment across the European business, supported by PwC. This assessment identified a number of risks which we are currently in the process of addressing. Conflict of interest and third-party due diligence have been identified as top regional risks and addressing these has been a priority in 2022. Bribery and corruption risks have also been created for each market in the SBFE Risk Management portal, however they are yet to be fully assessed.



Sustainability Governance

Our SBFE Director of Sustainability reports directly to the SBFE CEO. The SBFE Director of Sustainability sits on the SBFE Sustainability Steering Committee, while the SBFE CEO sits on the SBF Sustainability Committee. The SBFE Executive Leadership Team receives updates on sustainability from the SBFE Sustainability Steering Committee and the SBFE Director of Sustainability. The SBFE Sustainability Steering Committee is supported by focus area taskforces and sustainability managers in each of our markets. The Committee provides updates to the SBF Sustainability Committee, which ultimately reports into the Suntory Holdings Board of Directors through the Global Sustainability Committee.

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, the European soft drinks trade association, helping to shape and uphold their sustainability commitments. In our priority markets we are also members of local trade associations, for example we participate in the British Soft Drinks Association, the French Soft Drinks Association (B.R.F.) and the Spanish Soft Drinks Association (ANFABRA).



**SUSTAINABLE
DEVELOPMENT
GOALS**



Suntory Holdings Board of Directors

Global Sustainability Committee

Suntory Beverage & Food (SBF) Sustainability Committee

Suntory Beverage & Food Europe (SBFE) Sustainability Steering Committee

An SBFE Sustainability Steering Committee comprising of members of the SBFE Executive Management Team and the Sustainability Leadership Team meet monthly to review progress against our targets and commitments, and to provide valuable strategic insights and counsel, ensuring the right decision making and accountability is in place to enable the sustainability work to progress at pace.

Focus area taskforce

Specific sustainability focus topics, for example sustainable plastic, are handled by taskforces made up of experts and managers from across all relevant parts of the business. These taskforces regularly report directly to the SBFE Sustainability Steering Committee.

Market sustainability managers

Sustainability managers and experts in each market (France, Spain, GB&I and EECM-Benelux) contribute to the development of sustainability planning and disseminate information and actions among their local team.

Our Drinks

Drinks are what we do. So, building a sustainable business has to start with them. We want to make the best drinks possible for our consumers. Of course, this means great taste and quality, but it also means trying to ensure that what we sell contributes to happier and healthier lives. We've already made great progress in making our drinks healthier by reducing sugar and increasing our range of lower calorie drinks.



Less Sugar

Our approach

At SBFE, we're proud to be setting the standard as an industry leader in sugar reduction. 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 reflects the importance we place on healthier nutrition, which is a key component of our sustainability strategy. Through UNESDA, the European soft drinks association, SBFE has also joined industry peers to commit to reduce average added sugars in European soft drinks by 10% from 2019 to 2025.

To achieve these commitments, we are working on two complementary initiatives. One is to reformulate many of our existing drinks to lower the sugar content. The second is to create new, lower-sugar, lower-calorie drinks, to broaden the range of healthier options for consumers. Reformulation of drinks, particularly iconic flavours like Orangina, Lucozade and Ribena, is not easy. So, we have made significant investment in research and development 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.

This year our efforts in innovation have been supported by the launch of our new R&D laboratory in our French headquarters near Paris. The lab is designed to facilitate the continuous improvement of our product packaging and recipes, and we are proud to have invested €2 million in progressive innovations for our flagship brands.

We track the sugar levels across our portfolio through our sugar database and report progress against our sugar reduction commitments through our annual submission to the EU Code of Conduct on Responsible Food Business and Marketing Practices. We have a dedicated programme lead who coordinates our sugar reduction efforts and tracks our progress against our commitments.



Our new R&D laboratory at our French headquarters in Paris



Our efforts to progressively reduce sugar apply across our whole range and are a long-term focus.

Our progress

 **Target:**
35% added sugar reduction from 2015–2025

 **2022 progress**
24% reduction in added sugar against baseline*

 **Target:**
Double sales of drinks that are below 5g sugar/100ml from 2015–2025

 **2022 progress**
2.8 times

*2015 baseline: 87g sugar per litre
2022 progress: 67g sugar per litre

Sugar indicators	Unit	2022
Volume sold that was low or no calorie	%	18
Added sugar in portfolio	kgs	133 million
Sugar removed through recipe changes	kgs	2.6 million

In 2022, we achieved a 24% reduction in added sugar against our baseline. We were able to achieve this by reducing the sugar content in existing products through new or reformulated recipes. We have now made nearly 300 reformulations of our products in order to create healthier drinks with a lower sugar content since 2015. In 2022, this included a reduction in the sugar content of our Schweppes formulas in Poland (resulting in a reduction of 1000t of sugar), our Oasis Multifruits drink in France (from 7.7mg/100ml to 7.4mg/100ml), and our Ribena concentrate variant in the UK (a reduction of 0.2mg/100ml), which means it is no longer classified as HFSS (high in fat, sugar, salt). Since 2006, our Oasis Tropical recipe has been reformulated four times, resulting in a 27% decrease in its sugar content.

We have also been able to provide our consumers with healthier options by introducing new low sugar or low calorie products. For example, in France we launched our low calorie Oasis Ice Tea Peach, while in the UK, we continued to explore a zero or low calorie alternative for every one of our best-selling 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 nearly tripled.

Looking forward

We will continue to innovate and develop our line of zero/ low sugar and calorie drinks in order to reduce sugar across our brand portfolio.

In 2023, we will be launching more zero drinks, including a zero version of both Lucozade Sport and Lucozade Alert, and further reducing the added sugar across Schweppes. We will also be investing in marketing campaigns to ensure consumers are aware of the zero sugar and calorie options available to them.

More Positive Choices

Our approach

We recognise the importance of giving consumers nutritional information about our products so that they can make informed decisions and positive choices about what they consume. Across our markets, we are signatories to standards and guidelines that ensure we practice responsible marketing and labelling practices, and therefore facilitate positive choices.

We actively contribute to UNESDA's health and nutrition commitments, with particular focus on responsible marketing. We do not directly market to children under 13, or under 16 in the UK. We closely follow UNESDA guidance and do not sell or advertise soft drinks in primary schools. Where we are authorised to do so, we sell only sugar free and low calorie soft drinks in secondary schools and only use unbranded vending machines, without logos or commercial communications.

In Spain, we are signatories of the NAOS strategy for nutrition, physical activity and obesity prevention. The goal of this is to reverse the trend of obesity, promote healthy eating and encourage physical activity. We are also signatories to the PAOS Code, an advertising regulatory framework for obesity prevention. This self-regulatory

code monitors food advertising on television to children aged 12 years old and under, and internet advertising that targets children under 15 years old. We also participate in the HAVISA scheme for healthy lifestyle habits. We also use messages that promote healthy eating and regular physical activity in our TV advertisements, with new messaging included each month, such as encouraging viewers to 'eat a varied, balanced and moderate diet' or to be 'physically active on a daily basis'.

In France, we provide clear nutritional labelling to help consumers make healthier choices. Since 2009, we have gone beyond regulatory requirements, communicating information such as the nutritional value per portion to help our consumers make the best use of our drinks. On our website, we have developed educational content around the reference portion based on the recommendations of EFSA and ANSES, the French Agency for Food, Environmental and Occupational Health and Safety.



SBFE offers a wide range of drink choices



Lucozade Sport is a long-term partner of the London Marathon



Lucozade Alert brand sampling day

Our progress

In 2022, we reviewed our Responsible Marketing Code of Conduct with a view to launching an updated Code in 2023.

To ensure our new Code reflects current best practice, we have reviewed all existing marketing codes and international standards, consulted internally with our legal, regulatory affairs, marketing and external affairs teams, and introduced new guidelines and requirements to reflect modern marketing practices, such as e-gaming and influencer marketing. We are also looking at how broader sustainability themes, such as DE&I, should be addressed in the updated Code.

Looking forward

In 2023, we aim to launch our new Responsible Marketing Code of Conduct which will apply to all brands across our portfolio.

Our brands will also be audited by UNESDA to review their compliance with its responsible marketing to children commitment, as well as with local laws and regulations around advertising, marketing and promotions.

More Natural

Our approach

Beyond reducing the sugar content in our drinks, we are also working to increase the natural ingredients used in our products. This means reducing the number of preservatives, artificial colours and artificial flavours across our portfolio.

To track our efforts, we have created a database which contains the number of preservatives, artificial colours and artificial flavours contained in each drink. This allows us to regularly monitor our progress in improving the natural profile of our drinks and identify areas which require particular focus for improvement.

We are also working closely with SBF Japan to develop a natural preservative, as part of a global initiative designed to deliver natural replacements for existing preservatives in our drinks. This includes development activity around existing natural alternatives such as Stevia.

Our progress

Since 2019, 81% of our products have been free from artificial colours and 72% have been free from artificial flavours.

In 2022, we increased the use of natural colours in our Lucozade Original drink and reduced the concentration of the artificial compound Acetaldehyde, which is used in several of our drinks. We also launched our Oasis Ice Tea Peach, which does not contain preservatives or colourings.

Looking forward

We will continue to work on increasing the use of natural ingredients in our products where possible.

In particular, we will be keeping an eye on developments regarding high intensity and natural sweeteners so that we can define our approach moving forward.



Our Resources

We understand the impact our business can have on the planet, and we aim to minimise our environmental footprint throughout the lifecycle of our products. From the sourcing of our ingredients to the production, packaging and distribution of our products, we consider how and where we can make changes to reduce our environmental impact.



Less and Better Materials

Our approach

The sustainability of our packaging, and what happens to it when it's empty, is hugely important to us. 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.

In 2019 we announced our goal to be the first global drinks company to use 100% sustainable plastic packaging by 2030. By this, we mean using packaging made from plant-based materials, recycled plastic, or plastic that is not made using fossil fuels, all of which have a lower carbon footprint. To achieve this goal, we have set ourselves the objective of using a minimum of 50% recycled plastic content on average across our portfolio by 2025 or sooner, and no more virgin plastic from fossil fuels by 2030. We are focusing initially on our three core brands, with a goal to use 100% recycled plastic in our Lucozade, Oasis and Schweppes bottles by the end of 2025.

We design our products for circularity and are aiming for 100% of our primary packaging to be recyclable by 2025. Plastic is precious, so we want to collect and recycle as much as we can to create new bottles. Recognising the limitations in current recycling technologies, we invest in new and innovative ways to tackle waste and create true circularity. Since 2019, we have been part of a consortium founded to scale the pioneering 'enzymatic' recycling technology from Carbios.

This ground-breaking technology completely breaks down plastic during the recycling process, allowing it to be infinitely recycled back into what it came from – our bottles.



R&D, procurement and sustainability team visit to the Carbios demo plant'



Schweppes card can collar in Spain

We are also trying to transition away from plastic packaging where possible and are turning our attention to our secondary packaging. For the can and glass bottle multipacks that we manufacture in house, we are working to move from plastic film to card, giving careful consideration to the impact of any proposed changes on GHG emissions, and by the end of 2023 we are aiming that on average across our portfolio we will have 50% recycled content.

100% sustainable plastic packaging by 2030

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

 **2021 progress:**
Average 18% recycled plastic

 **2022 progress:**
Average 36% recycled plastic

 **Target:**
100% recyclable (primary) packaging by 2025

 **2021 progress:**
Average 77% recyclable

 **2022 progress:**
Average 75% recyclable

Our progress

We are well on our way to achieving our sustainable plastic packaging targets, increasing the use of recycled plastic (rPET) in our bottles from 18% in 2021 to 36% in 2022. This improvement was the result of significant progress across our core brands.

In the UK, for example, our Lucozade Sport bottles (excluding the cap and label) are now made from 100% recycled plastic, while in Spain our entire Schweppes portfolio has now transitioned to bottles made from 100% recycled plastic. We are incredibly proud of this achievement, particularly given the industry challenges around securing a supply of food grade quality recycled plastic and the subsequent rising costs of the material.

The proportion of our packaging that is recyclable decreased this year, from 77% in 2021 to 75% in 2022. This is largely due to an increase in production of Lucozade, which is currently responsible for most of our non-recyclable packaging. Redesigning our Lucozade bottles to ensure they are recyclable by 2025 remains a top priority for us. We are also continuing our efforts to ensure our bottles can be recycled back into bottles again, a process known as 'bottle to bottle' recycling. In 2022, we removed the full sleeve plastic wrap on our Lucozade Sport bottles and replaced it with a small partial plastic sleeve. This means the bottles can now be sorted into the clear waste stream at UK recycling centres and turned into recycled plastic. Similarly, in France we transitioned our 1.5L Canada Dry and Gini carbonated product bottles from green to clear plastic, thus ensuring they can be recycled back into bottles.



Finally, we have been working hard to reduce our use of plastic packaging and have started to make good progress on secondary packaging. This year in Spain, for example, we switched from plastic shrink film to cardboard rings for all our can and glass bottle multipacks, all Schweppes secondary packaging now incorporates 50% recycled plastic, and all the point-of-sale plastic material we use in supermarkets is fully recyclable.



Schweppes recycled plastic bottles



Bottling factory
in the UK

Our priority for 2023 and beyond will be continuing to work towards achieving our sustainable plastic packaging goals. Increasing the use of recycled plastic in our bottles will remain a big focus for us, as we aim to move our portfolio from 44% recycled plastic in 2023 to 63% in 2024.

Looking forward

To help deliver these targets our Oasis and Schweppes ranges, as well as our La Casera brand in Spain, will be transitioning to 100% recycled plastic by the end of 2023, Trina and Sunny Delight will be transitioning to 50% recycled plastic in 2024, and Lucozade Energy bottles in the UK will be transitioning from 30% to 100% recycled plastic from 2024 onwards. We will also be implementing key initiatives to incorporate recycled content into our secondary packaging and continuing to support Carbios to scale its technology.

In the coming year, we also intend to continue our work to reduce the amount of plastic packaging we use. Lucozade Energy is planning to further reduce the size of its sleeve, resulting in a reduction of 690 tonnes of plastic, and we will be rolling out the changes to our 38mm Oasis bottle caps across our other sites in France. We will also be participating in trials with retailers to investigate the removal of multipack plastic wrapping.

Finally, from the end of 2023 through to July 2024, in line with the Single Use Plastics Directive, we will transition our bottle caps across SBF E to tethered designs so that they can be captured for recycling along with the bottles.

Less Waste

Our approach

At SBFE, our waste management efforts are guided by three main goals; to send zero waste to landfill from our SBFE owned factories and warehouses by 2023, to recycle 100% of our recyclable waste from these sites by 2030, and to half our food waste by 2030.

At each factory, we set annual waste targets aligned to our 2030 goals. To track our progress against these targets, we analyse and record the quantity of waste generated at each site, broken down by waste type and treatment process, on a monthly basis. This allows us to identify areas that require improvement and introduce corresponding, tailored action plans where necessary. As part of this, we have established an inventory at each factory of all the materials which are not yet being recycled so that we can identify quick wins and department specific opportunities.

To help us drive progress towards our goals we have also set up an SBFE Waste Taskforce, with specific groups dedicated to Industrial Waste Management and

Food Waste Reduction. The taskforce, which brings together specialists from each factory, market, and specific departments, such as procurement, meets regularly to share learnings and promote the deployment of best practice across the business. We also work closely with our waste management suppliers to maintain their alignment with our internal requirements and objectives.

At SBFE, we also implement our own Environmental Standards across all factories, as part of our Environmental Health Safety Risk (EHSR) Standards. The implementation of these standards and applicable EHS regulation is externally audited every two years.



Target:
Send zero waste to landfill from our SBFE owned factories and warehouses by 2023



2021 progress:
2.5% of non-hazardous waste sent to landfill



2022 progress:
1.1% of non-hazardous waste sent to landfill



Target:
Recycle 100% of our recyclable waste from SBFE owned factories and warehouses by 2030



2021 progress:
93.3% of factory waste recycled



2022 progress:
94.2% of factory waste recycled



Target:
Half our food waste by 2030 (vs 2019 baseline)*



2021 progress:
4,352 tonnes (+17% v2019)**



2022 progress:
4,154 tonnes (+11% v2019)**

*2019 baseline: 3730 tonnes

**Data based on old scope, pending recalculation. Scope for food waste has been redefined in 2023 to cover 100% of SBFE food supply chain and to exclude food redirected to animal feed or food banks

Our progress

We made good progress on our waste management targets in 2022. Our factories in Carcagente, Gadagne and Tordera stopped sending waste to landfill and we recycled 95% of the recyclable waste generated at our factories and warehouses. This progress was driven in a large part by improvements we made throughout the year to the waste management systems in our facilities. These included improving the accuracy of our waste data management system, introducing the inventory of materials not yet recycled at each factory, improving waste segregation, and collaborating with our waste contractors to recycle more efficiently. To improve our waste segregation system, for example, we ran training sessions for our employees and made the labelling and location of our recycling bins more user-friendly.

We have also worked hard to raise awareness of the importance of waste prevention and management among our office employees in 2022. Our SBFS headquarters in Madrid, for example, has now eliminated individual waste bins so that employees must separate their waste and launched a Zero Paper Project in an effort to reduce paper consumption in the Customer Service area.

Reducing food waste is also important for us and we know that we have a way to go if we are to reach our 2030 target. Our food waste has increased since we set our target in 2019 due to an increase in production but we were encouraged to see a reduction in 2022 compared to 2021. To help our reduction efforts we are raising awareness of food waste throughout the business

and analysing the data to identify the root causes and implementing solutions where possible. In 2022, we continued to support food banks across our markets, redirecting surplus products where possible. Our Toledo factory in Spain, for example, sent 1700 boxes of surplus product that had expired beyond its shelf life but was still suitable for consumption to foodbanks. SBF GB&I also celebrated a milestone achievement this year, announcing it had redistributed over 3 million surplus bottles* of Lucozade, Ribena and Orangina to people facing food insecurity, as part of its long-term partnership with food redistribution charity FareShare. [See our Spotlight on: FareShare to find out more about this partnership.](#)

*FareShare measures the volume of soft drink donations in 250ml equivalents – so includes the different formats of drinks offered by SBF GB&I. SBF GB&I has given the equivalent of 3.156 million 250ml drinks



Employee visit to waste to energy site in Amsterdam

Spotlight on: FareShare

In the UK we have been partnering with the charitable food redistribution network FareShare to fight hunger and food waste since 2018. FareShare takes good-to-eat surplus food and drink from across the industry and passes it onto a network of nearly 9,500 charities and community groups.

Since 2020, through our long-term partnership with FareShare, we have now redistributed over 3 million surplus bottles of Lucozade, Ribena and Orangina to over 4,722 charities, including: 1,460 organisations that support people on low or no income, 431 homelessness services, 239 community groups serving older people and 61 organisations supporting people with mental health conditions.

This achievement also coincided with SBF GB&I becoming an official FareShare Leading Food Partner. This scheme recognises businesses that, through their work with FareShare, are providing nutritious, healthy food to people at risk of hunger, saving charities money on their food bills and reducing their Scope 3 carbon and water footprint.



Looking forward

In 2023, we will be exploring ways to stop sending waste to landfill from our Toledo factory and working to increase recycling rates across all our factories.

We will be devising specific action plans for each factory and working with individual waste management companies to implement these. We will also be adding specific requirements aligned to our sustainability objectives into our contracts with waste management suppliers when these contracts are renewed in 2023.

On food waste, we will continue working to identify where we can make reductions. We will also be redefining the scope of our target in 2023 to include 100% of the SBFE food supply chain and to exclude food redirected to animal feed or food banks.



SBFE factory in Toledo, Spain

Respect Water

Our approach

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

We aim to reduce the water intensity* of production at our owned factories by 20% by 2030. To drive progress towards this goal, we set water reduction targets at each of our factories and outline tailored roadmaps to achieve these. Progress against these roadmaps is monitored closely. To help promote sustainable water management at our factories, we invest in new technology to reduce our water consumption and create new internal initiatives that allow us to be as water efficient as possible. We also closely monitor and manage the quality of the water we discharge from each factory, in line with applicable regulations.

In addition to water reduction activities at our factories, we also invest in water conservation and education initiatives.



Target:
20% water intensity* reduction in our direct operations by 2030 (against 2015 baseline**)



2021 progress:
12% reduction



2022 progress:
15% reduction

*Volume of water withdrawn per kilolitre of production

**2015 baseline: 2.34 kl/kl

Water indicators	Unit	2022
Water consumption	Megalitres	1,929
Total water withdrawal by source	Megalitres	3,434
<i>Municipal water</i>	Megalitres	1,797
<i>Ground water</i>	Megalitres	1,637
Water withdrawal from locations with high or extremely high-water stress (% of total water withdrawal)***	%	19.2
Total water discharge by destination	Megalitres	1,504
<i>River</i>	Megalitres	420
<i>Sewer</i>	Megalitres	1,084

***Water withdrawal from Toledo

Embalse del Guajaraz reservoir

Our Progress

In 2022, we reduced the water intensity of production at our own factories by 15% from our 2015 baseline, and by 3.5% from 2021.

These improvements are the result of several different initiatives implemented this year, including the upgrade of our water metering systems, allowing us to easily identify improvement opportunities across our facilities, and the upgrade of our water treatment plants, improving our ability to reduce and reuse wasted water. We were also able to reduce our water use by optimising our cleaning process and replacing old equipment with cutting edge, water efficient technology. For example, the improvements we made this year to the clean-in-place system used at our Spanish factories have helped to optimise the use of rinse water and reduce water consumption. In France, the new water efficient pasteuriser we installed at our factory in La Courneuve will help us to save 6,000 m³ of water a year. Finally, in some areas, we have focused on replacing equipment with alternatives that use no water at all. For example, in France we have invested €500,000 over the last three years to replace the water rinsers during can production with air rinsers. Using high-powered blasts of air to clean our cans rather than water will save us more than 39,200 m³ of water per year.

Alongside our water reduction efforts, we continued to support water conservation and education initiatives in 2022.



To mark World Water Day, SBF **GB&I** partnered with Severn Rivers Trust to launch its Water Wisdom Days for local communities across the UK. The Water Wisdom Days were designed to highlight why the lifecycle of water is so important and encourage participants to reflect and act to preserve and protect our water, rivers and wildlife. A total of 24 family events were held this year across Gloucestershire, Shropshire and Worcestershire. This partnership was inspired by the water education projects created by Suntory Holdings in Japan, known as the Mizuiku programme.

In **Spain**, we launched our Guardianes del Tajo initiative, a new water conservation project operating in the Guajaraz Reservoir. The three-year project aims to improve the quality and availability of the water from the Guajaraz Reservoir, one of the three reservoirs that provide water to our factory in Toledo, and to engage the public in issues surrounding the water ecosystem. This year, we worked in partnership with organisations such as the University of Alcalá and environmental consultants, MEDIODES, to determine the state of the reservoir and the Guajaraz river basin and we will implement actions based on the results of this research in 2023. At the same time, we provided water education to children in the province of Toledo, through the launch of our Mizuiku programme in Spain. We ran a series of activities in schools and in the field, which more than 400 children participated in.



In **France**, we continued our long-standing partnership with Grand Parc Miribel Jonage, helping to preserve and restore the precious and biodiverse alluvial forest around the Rhone and provide ecological education programmes for local families. By the end of 2022, more than 20,600 people had visited “L’lloz”, the Grand Parc’s water and nature education centre, including schoolchildren, leisure groups, businesses and the general public.

Looking forward

We will continue to work towards our water reduction targets in 2023 and have a number of initiatives planned to reduce our water use.

These include continuing some of the improvements we began in 2022, such as updating our water treatment plants, improving our water metering systems and optimising our cleaning process. We will also be identifying any other equipment we can replace with alternatives that use no water, such as disinfection equipment that uses UV treatment instead of pasteurisation.

We will also be expanding our water conservation and education efforts with a water project in Ghana and the official launch of our Mizuiku programme in the UK.



One of Mizuiku's activities in Spain taking place at the Guajaraz reservoir (Toledo)

Reduce Emissions

Our approach

In 2019, we set ambitious emissions reduction targets approved by the Science Based Targets initiative. By 2030, we are committed to reducing our Scope 1 and 2 GHG emissions by 50% and our Scope 3 emissions by 30% from our 2019 baseline. We have also committed to achieving net zero carbon emissions by 2050 or sooner across our whole value chain.

To achieve these targets, we have established two reduction programmes, one focused on Scope 1 and 2 emissions, and the other on Scope 3 emissions. For each programme, we have set out global and local roadmaps and associated action plans which are coordinated centrally. Actions identified to reduce Scope 1 and 2 emissions include improving energy efficiency at our factories, sourcing renewable energy for our factories and owned offices, producing our own renewable energy, and reducing the carbon footprint of our fleet.

We calculate our Scope 1 and 2 emissions twice a year, and our Scope 3 emissions once, as part of annual total carbon footprint calculation. We compare these results to our annual targets and assess our trajectory towards our 2030 ambition, adjusting roadmaps and project priorities where necessary to keep our progress on track.

Net zero emissions by 2050 or sooner across the whole value chain

 **Target:**
50% reduction in scope 1 and 2 greenhouse gas emissions

 **2022 progress:**
18.9% reduction against baseline

 **Target:**
30% reduction in scope 3 greenhouse gas emissions

 **2022 progress:**
12.9% reduction against baseline

Emissions indicators	Unit	2019 baseline	2021	2022
Scope 1	tCO2e	53,691	51,545	53,410
Scope 2 (market based)	tCO2e	12,296	100	133
Scope 2 (location based)	tCO2e	12,295.9	10,590.8	10,264.8
Scope 3	tCO2e	1,404,855	1,250,279	1,224,277
Total emissions*	tCO2e	1,470,842	1,301,924	1,277,820
Emissions intensity ratio**	tCO2e/kL	0.600	0.523	0.476

*Total emissions calculated with Scope 2 (market based) values

**Production volume from SBFE owned bottling factories & concentrates factories and production of SBFE brands from contract manufacturers & franchises

Our Progress

In 2022, we reduced our total carbon footprint by 1.9%. This means that we have now reduced our total carbon footprint by 13.1% from our 2019 baseline. This includes an 18.9% reduction in our Scope 1 and 2 GHG emissions and a 12.9% reduction in our Scope 3 GHG emissions against our 2019 baseline.

Since 2019, we have achieved our Scope 1 and 2 reductions through our continued use of renewable electricity at our factories and owned buildings and the development of home-grown green energy. We now have solar panels at our factory in Carcagente, which produced 15% of the electricity used on site in 2022. Towards the end of the year, we also started installing solar panels at a second factory and hope to start producing renewable electricity there in 2023.

We also reduced our emissions intensity through the introduction of several measures to optimise energy efficiency at our factories, including increasing our monitoring capabilities, upgrading our temperature regulation systems to better detect thermal loss, replacing manufacturing equipment with more efficient alternatives, and moving towards electrification where possible. In France, for example, we deployed a new energy modelling tool to better monitor our energy consumption and we created a new full-time role dedicated to promoting energy efficiency at our sites.

Transportation was also a focus for us in 2022. To reduce the GHG emissions associated with our fleet, we upgraded a proportion of our freight vehicles to meet Euro 6 emissions standards, optimised delivery routes, and improved our vehicle fill rates. In France, optimising fill rates and routes delivered a 2% reduction in the distances travelled by empty trucks over long distances. We also started an initiative to replace high emission fuels with lower emission alternatives, such as biodiesel OLEO100 produced from rapeseed, on certain routes, and have started exploring the use of trains in our transport network.

To help with our Scope 3 emissions reduction efforts, we have completed a piece of work to identify our top emitting categories and sub-categories and have started the process of mapping our suppliers across these categories. This will help us to focus our efforts on those areas where we can have the biggest impact. In 2022, we were able to reduce our Scope 3 emissions through our continued efforts to reduce the added sugar in our drinks and our increased use of recycled content in packaging materials. We also implemented various employee travel initiatives, such as the installation of electric charging points at our head office in the UK, to support those employees that have already made the switch to an electric car. While employee travel is not one of our biggest drivers of Scope 3 emissions, we try to encourage our employees to reduce their own carbon footprint where possible.



Solar panels on our Citresa factory in Spain

Finally, we want everyone at SBFE to play their part in reducing our carbon footprint, so we are working to raise awareness of climate change among employees. As part of our internal Green Planet Awareness Week, our climate manager ran a session on how to calculate your own carbon footprint for employees. We also ran a Climate Fresk workshop in France this year with more than 170 employees to teach them the fundamental science behind climate change and empower them to take action. Our aim is for all employees in France to have completed this workshop by 2024.

Looking forward

Our priority is delivering emissions reduction in line with our science-based targets and net zero commitment.

As part of this, we will be focusing on further electrification of our factories and the replacement of our boilers. We are also going to start calculating our Scope 1 and 2 GHG emissions on a monthly basis, so that we can regularly assess progress against our 2030 targets. In 2024, we expect to introduce another SBTi aligned target for our emissions associated with Forest, Land and Agriculture.



Electric car charging points at our UK head office

Procure Sustainably

Our approach

It's important for us to closely trace where our ingredients have come from, and the environmental conditions in which they have been produced, processed and sold. We know that some agricultural practices can contribute to environmental degradation, including air and water pollution, soil depletion and diminishing biodiversity, so we work directly with our network of fruit farmers to mandate sustainable farming and biodiversity practices.

Our sustainable sourcing programme guides our efforts to increase transparency across our supply chain and ensures high environmental standards are being upheld. We monitor and evaluate our suppliers using Sedex. All new direct suppliers must register on Sedex, take part in a risk assessment process, and complete a SMETA (Sedex Members Ethical Trade Audit) audit, which covers environmental performance, as well as labour standards, health and safety, and business ethics. You can read more about how we screen and audit our suppliers [here](#).

We also invest in sustainable and innovative agricultural practices to ensure the long-term viability of the environments in which our ingredients grow. Our regenerative agriculture team works on a number of projects, in collaboration with farmers, soil management experts and partners to better understand how we can improve soil health and enhance biodiversity.

The SBF GB&I Farm Stewardship Programme, for example, aims to boost biodiversity on blackcurrant farms across the UK. Over the last five years, SBF GB&I has been working with The Farming and Wildlife Advisory Group (FWAG) to deliver on-farm conservation support to the UK's blackcurrant growers. Each farm involved in the Programme follows the Six Point Plan (6PP) we developed to support the sustainability of blackcurrant production. It covers the management and maintenance of hedgerows, rough grass buffers, green headlands, farmland birds, pollen and nectar, and mature trees. The Programme now sees conservation advisors from FWAG and SBF GB&I's in-house agronomist provide tailored advice to growers across 34 blackcurrant farms on how to protect and enhance natural capital, such as soil, water and priority habitats.



Our Progress

In 2022, we started monitoring the volume of agro-materials we use that are compliant with our sustainable sourcing programme. Our goal is for 100% of our agro-materials to be sustainable by 2030.

To be considered 'sustainable', both the growing and processing of the agro-material needs to meet an SBFE approved standard, such as Gold or Silver in the Sustainable Agriculture Initiative's (SAI) Farm Sustainability Assessment. In 2022, 55% of the agro-materials we used were sustainable as per this criteria. As part of our focus on agro-materials, we have been working closely with our Research and Development team to review the use of palm oil across our portfolio, removing it from our supply chain where possible and moving to RSPO certified palm oil when removal is not technically feasible. In 2022, 77% of the palm oil we used was RSPO certified.

We also continued to work closely with key suppliers to promote sustainable and innovative agricultural practices. This year, for example, we launched a new project in partnership with Qimpexx, our quinine supplier in Madagascar. Qimpexx not only produces quinine, but it also grows the cinchona trees from which the quinine is extracted. Its aim is to be the first sustainable cinchona grower and quinine manufacturer in the world. Through the agroforestry systems it recreates, Qimpexx helps to protect and restore the land, and create diversified income opportunities for local communities. We will be working with Qimpexx to promote the sustainable sourcing of quinine

extract and help build a sustainable, inclusive and transparent value chain. We are excited about the potential of this partnership and look forward to seeing the impact we have through it.

Ahead of COP15, SBF GB&I also shared the results from its long-standing Farm Stewardship Programme. We were thrilled to see the positive environmental impact SBF GB&I blackcurrant growers have had on their farms through the delivery of the Six Point Plan. [See our Spotlight on: Farm Stewardship Programme to see the impact the programme has had.](#)

Looking forward

In 2023, we will keep working with our farmers and suppliers to ensure the long-term viability of the environments in which our ingredients grow.

We will continue to work with our blackcurrant growers to increase the environmental sustainability of blackcurrant production in the UK and we will be further developing our partnership with Qimpexx to ensure the sustainable sourcing of our quinine.

We are also working with our strategic supply partners to launch pilot projects in ingredient categories like juices and sugars in the coming year.



Cinchona nursery plantation in Madagascar

Spotlight on: Farm Stewardship Programme

Our Six Point Plan has helped support 13 red list and 15 amber list 'Birds of Conservation Concern' – including turtle doves, field fares, skylarks, grey partridges and yellow hammers – and at least 19 species of mammals, reptiles and amphibians recognised as priorities for conservation in the UK.

The Farm Stewardship Programme has also inspired farmers to install over 2,000 nest boxes across their farms, creating secure homes for 1,172 pairs of nesting birds, such as barn owls and wrens. The nest boxes have also become home to dormice, bees and pipistrelle bats. Farmers involved in the Programme have also sown the equivalent of 116 rugby pitches with specific pollen and nectar seed mixes to encourage pollinating insects, great for wildlife and producing juicy blackcurrants.



Climate change and weather fluctuations have the potential to threaten blackcurrant growing in the UK, so by acting now to boost the sustainability and resilience of farms, we can protect this vital crop for future generations. That is why we've gone to extra lengths with the action plans for our network of growers and we will continue to support them as we all navigate our future in a changing climate."

Harriet Prosser, Agronomist



Our Society

The foundations of SBFE are rooted in a belief in Giving Back to Society. We practice this through the positive impact our brands strive to make in the world, the charitable donations we make, our volunteering schemes, and through our collaborations with partners. Through building strong relationships, we create positive change that has a long-lasting impact on many lives, and that allows our employees to give back and grow.

Community indicators	Unit	2022
Charity donations	€	347,789
Product donations*	€	87,000
Community activation**	€	625,500

*Total value of products donated

**Financial support to community partners and programmes



Empowering Communities

Great Britain and Ireland

Our approach

Supporting and nurturing the communities we are part of has been part of our company ethos since Suntory's founder, Shinjiro Torii, launched the company in 1899.

Giving Back to Society remains deep-rooted within Suntory's global purpose and is a strongly held company value. This drives us forward and makes us determined to deliver activity which is impactful in delivering positive change.

We support a range of important causes through financial and product donations, and we empower our employees to take a 'Growing for Good Day' every year to volunteer in their local community. In 2022, we conducted a strategic benchmarking exercise to help ensure our approach delivers against best practice and sent out an employee survey to understand our employees' views on both what they wish to contribute to and how they would like to do it. Based on the results of these activities, we have been developing a new way of empowering our employees to engage in charitable activity and fundraising. This programme is due to launch in 2023.

Our progress

In 2022 our offices and employees engaged in multiple activities in support of the local communities we serve.

We contributed over 1 million euros to good causes and community initiatives. This included product donations to food banks and food surplus charities, partnerships with NGOs dedicated to supporting vulnerable families and disadvantaged young people, and disaster relief charities, such as the Red Cross.



Employees on the London to Paris cycle ride in support of GroceryAid

In our **GB&I** offices, our employees supported a range of important causes. A team of colleagues took part in the London to Paris cycle ride, a 340km journey, at times through extreme weather conditions, in support of GroceryAid, a charity providing emotional and financial support to those working in the grocery industry.

Our finance team used their volunteering day to work with the Severn Rivers Trust to carry out woodland maintenance in the area, while learning about why forests and trees are important to our natural environment and how to ensure newly planted trees have the best chance of survival.

Our R&D team coordinated a 'Big Clean Up' day across all three of our sites, which united our employees to collect and recycle discarded bottles to ensure they're turned into new materials again.

We also continued to provide financial support to local foodbanks, sent surplus drinks to FareShare and gave product donations to Crisis at Christmas time, helping those who need support at what can be a particularly difficult time.

Europe Export and Commercial Markets and Benelux

Employees in both our **Ghana** and **Trinidad** offices participated in a beach clean-up with commercial partners.

In **Belgium**, we closed our warehouse and office for a day, and all our employees participated in a Growing for Good day of volunteering at the local community gardens in Rixensart. This included planting trees, weeding and other preparatory work to prepare the garden for winter.

In **Morocco**, in partnership with Les Eaux Minérales d'Oulmès, a bottler in Morocco, and Enactus, an international NGO, we sponsored and supported the 2022 Morocco Water Race. This event aims to raise awareness of issues relating to water access, and the importance of developing innovative solutions to preserve groundwater. More than 1500 students participated in this initiative, submitting 51 projects, 3 of which were selected as winners.

Our employees have provided vital support to those affected by the **Ukraine** crisis. Employees in Poland helped to arrange transport and accommodation for Ukrainian refugees in Warsaw and donated essential supplies like bed sheets. In Amsterdam, our employees collected supplies which were sent to our Warsaw office to be distributed. Other offices also donated money to the Ukrainian Red Cross, which SBF EECM-BNL matched.

Spain

In **Spain**, we ran our first volunteer programme at Guardianes del Tajo, as part of its ongoing efforts to rehabilitate the water and improve biodiversity in the surroundings of the Embalse de Guajaraz, one of the three reservoirs that provide water to the plant. This enabled employees to become familiarised with the reservoir, collect rubbish, build bird nests, and undergo training in water quality analysis, which will contribute to developing our understanding of the problems in the region. 44 employees took part in the first programme, and 18 employees attended a second one later in the year.

A group of employees were involved in the 'Lazos Telefonicos' programme, a collaboration with the Adopt an Abuela Foundation, to provide emotional support through telephone conversations to the elderly in Spain.



Employee volunteers at Guardianes del Tajo in Spain

France

In partnership with Microdon, all **French** employees can round their salaries to donate any leftover to charity. We committed to doubling each donation to the employee's charity of choice.

We also continued our partnership with Secours Populaire Français, which aims to tackle social exclusion and poverty. Our employees can get involved with promoting the partnership with our retail partners.

Employees also have the opportunity to take advantage of our new Solidarity Leave, which enables them to use their holiday allowance to volunteer with our partner Planete Urgence in Madagascar. This year, we were delighted that the first employee to embark on Solidarity Leave was Sandie Cleysac, a Food Sales Force Trainer, who spent two weeks in Madagascar, providing training in sales techniques, team management and project management to the ORTALMA tourist office and its partners, helping to develop individual and group projects in the field, and working on projects to conserve biodiversity and protect lemurs.



Oasis and Secours Populaire

Looking forward

In 2023, we will be launching our new charitable activity and fundraising platform, 'Together for Good'. Through Together for Good, employees will be able to access thousands of community-based and online volunteering and mentoring opportunities, as well as opportunities to undergo personal challenges related to sustainability.

Our ambition is for 30% of employees to register with the platform within the first six months following launch, for 20% to participate in Together for Good activities in the first year, and for this to increase to 50% by 2025. We will also be establishing a new volunteering and donations policy for all employees.

Following the success of this year's employee focused Green Planet Awareness Week, we will be running the event again in 2023 but this time extending it for two weeks. Throughout the two weeks, we will be upskilling and educating employees across SBFE about sustainability and Giving Back to Society, informing them about how they can make a difference and how they can take that knowledge back into the community.

Purposeful Brands

Our approach

Consumers love and are loyal to our brands for a number of reasons, from the great taste and affordability of our drinks to the feelings of connection they have when the brand's purpose and the values it displays chime with their own.

Our approach to developing connections between our consumers and our brands starts with listening to them. We make sure to immerse ourselves in the places where they shop and make decisions, getting close to them and exploring how they relate to our brands, as well as their motivations, likes, hopes and desires. This gives us a deep understanding of the ways in which our brands align with their passions and how we can move forward, and it guides our selection of partners and causes to work with.

We don't believe that all brands should have a mission or purpose, but in the cases where it makes sense, and is relevant and credible, we grasp the opportunity to create value and long-lasting impact – making the most of their huge potential to create positive results for society.



What our brands have been up to

Our brands have been extremely busy this year, from supporting biodiversity projects in France, to showcasing the power of women's football in the UK. We have outlined some of our key programmes and partnership here.



MayTea: Promoting biodiversity

MayTea signed a partnership agreement with the Grand Parc Miribel Jonage to support several revegetation projects. The brand also encourages city dwellers in France to plant their own plots through its "Lignes Vertes" project in collaboration with 'La Sauge', an association promoting urban agriculture.



Oasis: Supporting families

In line with its purpose to bring families together, Oasis has continued to support families through its long-standing partnership with 'Secours Populaire Français', an NGO dedicated to fighting poverty and discrimination. Through its brand activity, Oasis helps to raise money and awareness for the charity. This year more than 180 employees got involved in the awareness raising efforts and we donated a total of 231,724 euros to the association.



Lucozade Sport: Showcasing the power of women's football

Lucozade Sport believes in the power of football to drive change and has been a long-term supporter of women's football and official partner of the Lionesses since 2006. During the Women's Euro 2022 tournament, Lucozade Sport launched its 'Football is Football' campaign in England, an initiative designed to showcase the strength and power of women's football. The campaign gathered fans across the country in support of the England women's team and encouraged players of all abilities and genders to be celebrated equally. Touchlines of pitches in Salford, Manchester, were replaced with the words 'Football is Football', showing how the boundaries of the game are being rewritten every time a woman or girl steps onto the pitch.

The campaign also included an on-pack competition, delivered in partnership with social inclusion charity Football Beyond Borders, giving consumers the opportunity to win 'The Ultimate Football Experience'. The competition hit the £50,000 target for Football Beyond Borders, enabling the charity to recruit two new female and non-binary project leads and continue its mission to use the power of football to change the lives of young people.



Lucozade: Unlocking Potential

In October 2022 Lucozade celebrated the completion of the first year of its flagship partnership with life skills training platform Apprentice Nation to help 16–24 year olds unlock their potential. This pioneering platform uses the power of music to help young people gain skills and employment.

The collaboration supports young people from disadvantaged backgrounds and underrepresented communities, by delivering opportunities for career development in a way that resonates with them and helps to unlock their potential. The partnership provides 1:1 mentoring, career events, on-demand content such as workshops and webinars and work experience opportunities at SBFE. Over 50 employees have been involved, sharing their own career stories as well as offering advice and support.

In the first year of this partnership, Apprentice Nation's membership increased to support a total of 17,000 young people, and over 55,000 courses were completed. Lucozade also supported the Apprentice Nation bursary programme which offers funding of up to £500 to benefit young people with job interviews, skills training, tutoring or entrepreneurial projects.

In 2022 we also hosted our first 'Behind the Bottle' taster day, an opportunity for Apprentice Nation members to visit our

head office and see what it's like to work on a brand like Lucozade. They got a behind the scenes pass, exploring the different stages of product development from sensory liquid tasting to bottle design and social media promotion. The day also inspired one of the attendees to apply for and succeed in securing employment in the business.



The combination of music, entertainment and education is extremely powerful and we love bringing even more energy and opportunities to the Apprentice Nation platform. As a brand Lucozade is wholeheartedly committed to helping young people unlock their potential, hand in hand with our wider company vision at SBF GB&I of 'Growing for Good.'

Matt Riches, Head of Partnerships, SBF GB&I

Building on the power of music to unlock potential, last year Lucozade Energy was also headline sponsor of the MOBO Awards. The MOBO organisation has discovered and supported talent in music, film and TV since 1996 and we were proud to be a part of last year's awards, giving recognition to their positive cultural, social and economic impact.



Apprentice Nation 'Behind the Bottle' taster day

Looking forward

We will continue to create value and long-lasting impact through individual brands, where it makes sense to do so.

At a broader level, we will be reviewing our approach to marketing to ensure it is as inclusive as possible. We will be challenging ourselves to look at who we target, how we target them and what we say to them through our marketing. We will be looking at both our visual advertising and our media buys and working to ensure that the creatives involved in the development of marketing communications reflect the audiences we want to reach.

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 unleash their spirit. And we mean everyone. In 2021, we launched our SBFE-wide diversity, equity and inclusion (DE&I) strategy, led by our CEO, and we are excited by the concrete and meaningful progress we are making across our priority areas. 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, in particular those 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.



Diverse, Inclusive and Flexible



Our approach

Our DE&I mission is to create a company where everyone is welcome, treated fairly, made part of our community and supported to thrive. Pursuing this 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.

In 2021, in support of our mission, we launched our SBFE-wide DE&I strategy and priorities, led by our CEO. The strategy sets out how we as a business aim to create a diverse workforce and inclusive workplace. We seek to promote diversity across key categories, including disability, race and ethnicity, age, LGBTQI+ and gender, with a particular focus on 'Women in Leadership'. In line with Suntory's global target, our goal is for 30% of our senior executives and executives to be women by 2030. Our DE&I strategy also drives action on key areas of inclusion, such as inclusive leadership and culture, recruitment and development and DE&I policies.

We are making progress on our DE&I journey and our strategy lays out our framework for action. We have started taking significant steps to build the foundations that will drive continuous progress. Our focus to date has been on getting the fundamentals in place, such as updating our policies to ensure they reflect our commitment to DE&I and delivering training to employees. For example, in 2021 we launched our flexible working policy which gives our employees autonomy to decide how they work and collaborate with others. We know that building a tailored approach to DE&I will take time and effort, so this year we also brought in specialist support to help embed the strategy and lead on delivery of the fundamentals.

Employees who are passionate about DE&I can connect with likeminded colleagues through our Employee Impact Group. Originally created in 2020 to help shape our DE&I strategy, the EIG (formerly the DE&I Taskforce) is a place for Suntorians to share their experiences, insight and understanding of both DE&I issues and SBFE's business day-to-day.

DE&I indicators	Unit	2022
All employees		
By gender		
<i>Female</i>	%	34.6
<i>Male</i>	%	65.4
By age		
<i>Under 30 years old</i>	%	11.1
<i>30–50 years old</i>	%	58.6
<i>Over 50 years old</i>	%	30.4
The Board*		
The gender		
<i>Female</i>	%	66.7
<i>Male</i>	%	33.3
SBFE Executive Committee		
By gender		
<i>Female</i>	%	42
<i>Male</i>	%	58

*Refers to OSH BV Board of Directors which excludes UK and Ireland entities

Getting the fundamentals in place remained our priority in 2022. Our GBI business launched a range of new policies created in close consultation with internal and external experts.

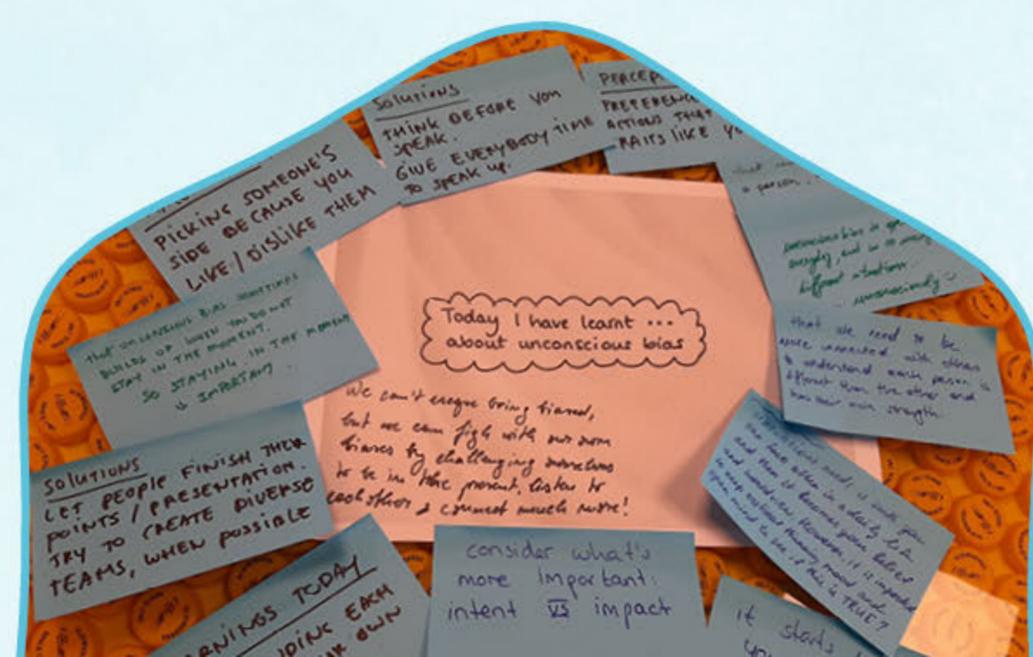
These policies covered DE&I, anti-harassment and bullying, pregnancy loss, menopause, and domestic abuse. All policies were formally launched to our GBI employees and are available on the SBFE intranet. Towards the end of 2022, we also conducted a country-by-country review of the flexible working policy we launched in 2021 and made refinements based on colleague feedback. For example, in the UK and France it was decided that office-based employees would return to the office two days per week to improve employee engagement, company culture and team inclusivity.

Training was also a big theme for us in 2022, with DE&I training resources, such as our Diversity Dictionary, created for all employees to increase awareness of DE&I. We also conducted bespoke training for individual teams, including the SBFE Executive Committee. Importantly we ran tailored sessions for our Talent Acquisition Team on how to overcome bias in the recruitment process and recognise the impact of privilege. This was then followed up with the launch of our DE&I Hiring Managers' Resource. This resource, along with our other DE&I training and learning resources, is accessible to all employees through our Global Digital Learning Platform, MySU.

Our EIG remained extremely active in 2022, engaging with senior leadership on all things DE&I and welcoming a number of external speakers.

During Pride Month, the group met to discuss issues important to them with members of the Executive Leadership Team and welcomed Ben Hunte, Vice Media's LGBTQ correspondent. While in December, our CEO attended a listening session with the EIG as part of International Day of Persons with Disabilities, and the group hosted a spotlight on neurodiversity event, where employees and external speakers came together to discuss improving accessibility and inclusivity in the workforce.

In 2022, 34.6% of our employees, 42% of our SBFE Executive Committee and 66.7% of our OSH BV Board were female. This is encouraging as it shows we are supporting women into leadership positions. Indeed, we kept a strong focus on 'Women in Leadership' this year, with our UK COO, Carol Robert, participating in a Women in Leadership Panel, speaking about her career path, the challenges she has faced and how she overcame them, and our Spain COO, Sara Pablos, participating in a Women in Food & Drink Panel, helping to draw attention to the need for diversity in the industry. Our SBF France Management Committee also became predominantly female, following the appointment of four new female members.





Furthermore, in the UK, where we are legally required to publish Gender Pay Gap details, we are one of a small percentage of companies that have a gender pay gap in favour of women. In 2022, when measuring the mean average pay, women were paid 10% more than men, while when measuring the median average pay, women were paid 21% more than men.

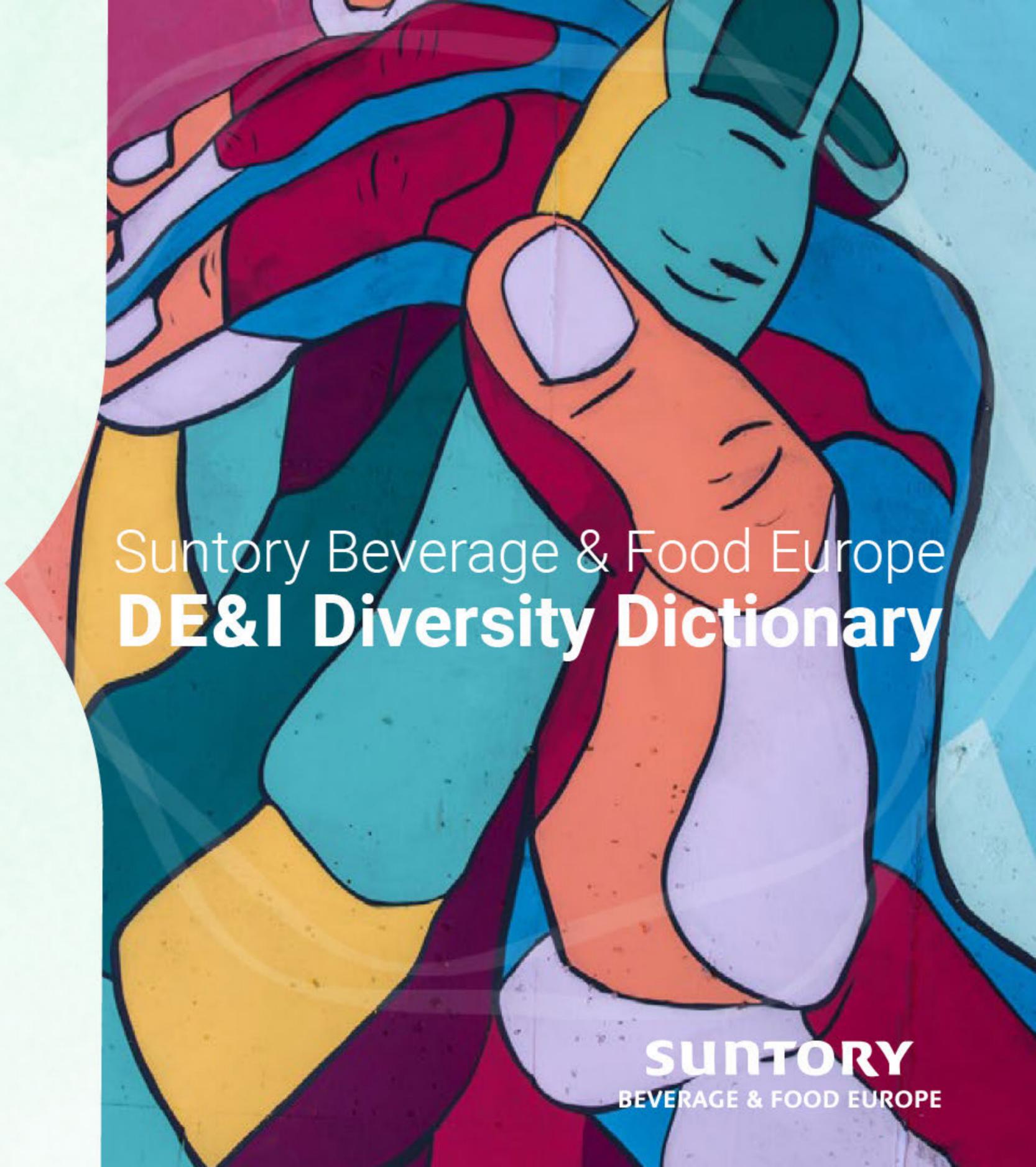
Finally, this year we piloted a LGBTQIA+ Mentoring Programme in the UK in partnership with Career Accelerator, an organisation committed to supporting diverse young people to see themselves in a leading company. The programme, which saw four Suntory mentors provide 18 hours of mentoring to six LGBT+ young people, was a huge success, with 100% of mentees surveyed agreeing that it had increased their understanding of LGBT+ inclusive companies and jobs and built their confidence. Similarly, all Suntory mentors agreed that the experience was useful to their own professional development and had improved their experience as an employee at Suntory.

Spotlight on: Diversity Dictionary

At SBFE, we recognise that to make progress in our DE&I mission, we all have to be on the journey together. And to be on the journey together we all have to be starting from a similar place. That's why our first SBFE DE&I training module focused on language.

In 2022, we published our Diversity Dictionary, an accessible glossary of DE&I terms designed to help employees have more open conversations about diversity, equity and inclusion topics and build common understanding. The Dictionary ensures all employees understand some core terms and ideas relating to DE&I and are comfortable using them, thus setting the foundation, and paving the way for us to act meaningfully on DE&I. It is not meant to be an exhaustive list of terms you might come across when we think about DE&I, but it explores some terms that are less well known or understood. This helps us to reflect on our own experiences and the experiences of those around us and challenges us to understand different perspectives.

Originally, we designed our [Diversity Dictionary](#) as an awareness building and training aid for our employees, but we have subsequently made it publicly available as we believe other businesses who are starting meaningful conversations around DE&I may find it helpful too.

A vibrant, stylized illustration of several hands of different colors (red, blue, yellow, purple, teal) reaching up and holding each other in a supportive grip. The background is a light blue with a subtle geometric pattern.

Suntory Beverage & Food Europe
DE&I Diversity Dictionary

Looking forward

Our focus for 2023 and beyond will be on inclusive leadership, inclusive recruitment, and DE&I awareness building.

We will be reviewing our gender data to understand the proportion of women in leadership roles and supporting our People Managers to have a better understanding of their role as an inclusive leader through Conscious Inclusion e-learning training. We will be reviewing our SBFE recruitment process to understand how we can make each stage more diverse, equitable and inclusive. And we will continue to engage new and existing employees through awareness events and online learning resources. We will also continue to work on the fundamentals, rolling out our DE&I policies across European markets and launching dedicated DE&I pages and resources on our new SBFE intranet.



Ethical Employer

For us, being an ethical employer not only means ensuring our employees behave, and are treated, ethically, it also means protecting their mental and physical health, and supporting their wellbeing and development.

Ethical conduct

Our approach

Our SBFE Code of Business Conduct sets out our expectations on how everyone in the company should behave, including our core values and our commitment to lawful and ethical conduct. All employees are expected to adhere to the Code, which is supported by policies including our Anti-Bribery & Corruption Policy, and our Anti-Tax Evasion Policy.

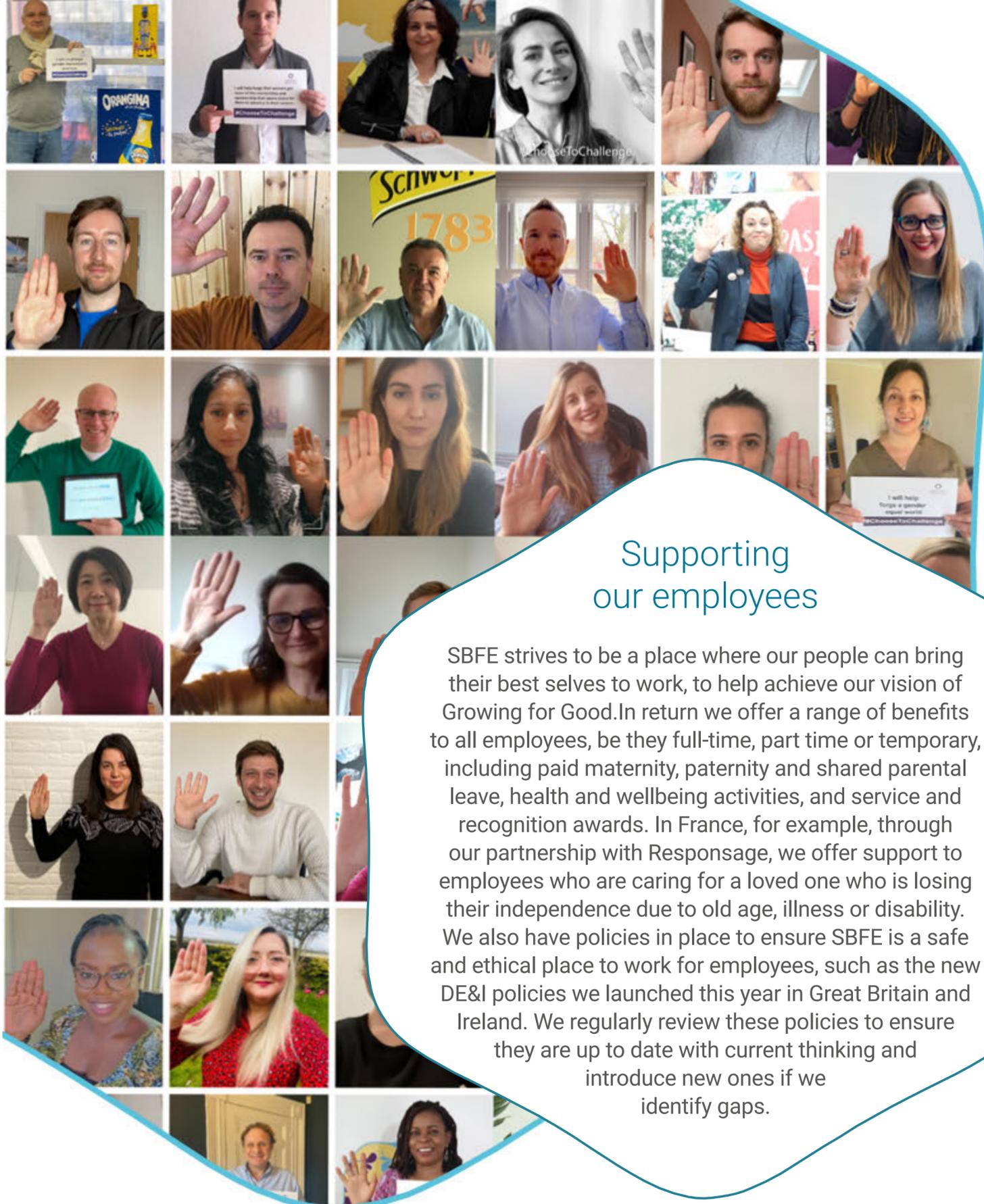
In addition, our Code covers areas such as bribery, competition laws, human rights, conflicts of interest, and the use of personal data, among others. We also provide training to help our employees understand their legal and ethical obligations, with all employees required to complete training on GDPR, ABC and Cyber Security each year and some roles also required to complete e-learning on Competition Law and Modern Slavery. These trainings are delivered with messaging from senior leaders on the importance of ethical behaviour.

Our SBFE Ethics & Compliance Committee (ECC), led by our SBFE CEO, is responsible for reviewing ethical matters and any issues that arise. Each market

also has its own Ethics & Compliance Committee that reports into the SBFE ECC and is responsible for reviewing issues that arise at a market level. Our whistleblowing service, operated by Safecall, allows employees to raise any concerns they have about SBFE, and our internal whistleblowing processes and procedures ensure that any reports are treated quickly and consistently.

We believe that listening to our employees, and creating a forum in which they can speak openly and honestly to share their feedback, is a critical element to being an ethical employer. Each year, our employee engagement survey allows us to check-in with our people to understand how they are feeling about a wide range of subjects. This allows us to develop engagement plans to support our employees and enhance their experience. We hold regular townhalls (at both an SBFE and Market level) to share our strategic priorities, targets, achievements and updates but also to hear from our people and answer their questions.





Supporting our employees

SBFE strives to be a place where our people can bring their best selves to work, to help achieve our vision of Growing for Good. In return we offer a range of benefits to all employees, be they full-time, part time or temporary, including paid maternity, paternity and shared parental leave, health and wellbeing activities, and service and recognition awards. In France, for example, through our partnership with Responsage, we offer support to employees who are caring for a loved one who is losing their independence due to old age, illness or disability. We also have policies in place to ensure SBFE is a safe and ethical place to work for employees, such as the new DE&I policies we launched this year in Great Britain and Ireland. We regularly review these policies to ensure they are up to date with current thinking and introduce new ones if we identify gaps.

Our progress

We continually review and update our policies to reflect current thinking. In 2022, we updated and approved our ABC and Whistleblowing Policies, and also created a new Modern Slavery Policy. We aim to launch these across SBFE in 2023.

We also regularly review our benefits to ensure they are supporting employees. This year in France, to meet the challenges of inflation, we increased the profit-sharing rate and introduced Exceptional Purchasing Power Bonuses (PEPA) and Value Sharing Bonuses (PPV) for 70% of our employees, with additional bonuses for the lowest salaries.

Looking forward

In 2023, we will launch our new ABC, Whistleblowing and Modern Slavery Policies across SBFE.

We also plan to review our whistleblowing service, extending its reach to third parties.

Learning and development

Our approach

We support our employees to continue their learning and development journey whilst with SBFE.

We operate an annual Performance and Development cycle, whereby each year employees set their objectives and targets for the year ahead through discussion with their manager. As part of this process, employees also create an Individual Development Plan which outlines their areas for development, as well as how these can be addressed from a 70–20–10 approach (with 70% of their learning coming from job-related experience, 20% from interactions from others, and 10% from more formal learning events or resources). Each action in the Plan includes a KPI and employees receive ongoing feedback and support from managers to help them meet their objectives. A huge range of training and development actions can be included in the Plan, from on-the-job activities, feedback, and shadowing to manager or peer coaching, assignments, or more formal learning. All employees also have access to our Global Digital Learning Platform, MySU, which offers over 60,000 courses and resources on topics as varied as sustainability, data visualisation, building resilience, and how to lead virtual meetings.

At SBFE, employees also have access to a range of programmes and training to help them develop their skills and leadership abilities. These include global leadership and culture programmes, such as our Global Leadership Forum and our Global Leadership Development Programme, as well as Sales Academies for local sales teams and technical training for factory employees. We also use the Herrmann Brain Dominance Instrument (HBDI), an assessment tool that measures and describes thinking preferences. Using this tool can help individuals and teams in several ways, from improving self-awareness and communication, to better decision-making.



It helps us to embrace diversity of thinking and is a great way to make teams reflect on how they interact with one another.

Our progress

Learning and development indicators	Unit	2022
Employees who completed their Individual Development Plans	%	86
Total hours of training across SBFE	Hours	12,881
Average hours of training per employee	Hours	3.7

We continued to support our employees on their learning and development journey in 2022. We were pleased to see that 86% of employees completed their Individual Development Plans and we delivered a total of 12,881 hours of training across SBFE, an average of 3.7 hours per employee.

We also delivered several key learning and development initiatives. For example, we held awareness and training sessions throughout the year to support the launch of our new Suntory Leadership Spirit behaviours. Raising awareness and understanding of these behaviours is key as all Suntorians will now be assessed on them as part of their Performance Review.

We also rolled out our Seicho Manager Academy across the regional business. The Academy offers a series of facilitated interactive sessions, as well as online learning resources, designed to help develop the skills of People Managers. [See our Spotlight on: Seicho Manager Academy to find out what we got up to in 2022.](#)

This year, we also ran individual, category and whole team HBDI debriefs for the Procurement function (around 40 people). The aim was to improve the team’s self-awareness and to discuss actions it could take to become more effective. Self-awareness helps teams become more effective because people recognise how their individual thinking preferences and behaviours affect team dynamics and performance. The sessions were such a success that the function is now looking to develop specific skills, such as stakeholder management, off the back of them.



🔍 Spotlight on: Seicho Manager Academy

This year we rolled out our Seicho Manager Academy across SBFE. The Academy offers learning events and resources designed to develop the skills of People Managers.

As part of this year's roll out, we launched our People Manager Forums. The Forums are an opportunity for People Managers across SBFE to come together, either virtually or face-to-face, to share their experiences, take part in facilitated discussions, and co-create solutions. This year we ran three 90-minute Forums focusing on Suntory Leadership Spirits, Continuous Feedback, and Difficult Conversations. Feedback from attendees was extremely positive, with the sessions receiving an average satisfaction score of 83%.

We also launched our first SBFE People Manager development programme, which reached around 50% of all SBFE People Managers. Those who took part in the programme attended internally facilitated development sessions on topics including Self-Awareness, Trust and Psychological Safety, Empowerment, Feedback, and Coaching. Following these sessions, they were asked to complete tasks and then come together to reflect on what they had learnt and how it applies to the workplace. Again, the response from People Managers was extremely positive, with the programme receiving an average satisfaction score of 80%.

We are looking forward to continuing the success of the Seicho Manager Academy!



SEICHŌ
MANAGER ACADEMY



Looking forward

We have a number of exciting development programmes and initiatives planned for 2023 and beyond.

We will be designing and piloting a new Global Manager Fundamentals Programme, developing a set of initiatives to upskill our supply chain workforce, and continuing the great work we are doing through our Sales Academies, our global culture and leadership programmes, and our HBDI sessions.

We will also be developing a skills matrix to provide employees with more clarity on how to structure their development and running an employee engagement campaign to encourage employees to adopt a learning mindset. Finally, in 2023 we want to turn our Global Digital Learning Platform, MySU into a game changing tool for digital learning at Suntory. It will become the home for many of our current and future learning programmes, helping to make learning and development accessible to all Suntorians.

Health, safety and wellbeing

Our approach

SBFE has a Zero Harm Programme designed to instil a safety-first mindset among employees. The Programme is spearheaded by our CEO and is in addition to our ISO 45001 certification, which recognises the Health & Safety management system we have in place at all sites. We seek to continuously improve health and safety across SBFE, with the ambition to achieve zero accidents.

The Manufacturing Director at each factory site is responsible for the health and safety of all employees working there. A risk assessment programme is implemented at all our factory sites to identify work-related hazards and risks. The outcome of the risk assessment is used to define and implement appropriate measures to prevent future accidents. For example, we have defined a specific Life Saving Rule to help reduce the risk of collision between pedestrians and forklift trucks which will be launched in 2023, we are putting logout tagout procedures in place to reduce the risk of unintentional exposure to hazardous energy from equipment and machinery, and we have introduced training and protective equipment for workers using particular chemicals. The appointed Health & Safety

Manager at each site is responsible for overseeing the implementation of any corrective measures needed.

In pursuit of our zero accidents ambition, we also encourage our employees to take a proactive approach to health and safety. Our Zero Accidents Promotion (ZAP) system allows employees to report hazards, near-misses, and unsafe situations into a EHS database, which we then act on. We also provide all workers with health and safety training to help raise awareness of potential hazards.

The mental health and wellbeing of our employees is also a top priority for us. In an increasingly fast-paced world, understanding and supporting mental health and wellbeing has never been more important. We strive to create an open and supportive workplace where employees are encouraged to look after themselves and each other. For example, in France we have a Quality of Life at Work agreement that sets out guidelines for ensuring wellbeing at work – no e-mails or messages may be sent after 7pm, at weekends or on public holidays, meetings should not be scheduled before 9am or after 5pm, and employees can work from home three days a week if their role allows.

Our progress

Health and safety indicators	Unit	2022
Lost time injury frequency rate	Number of lost time injuries per 200,000 hours worked	1.38
Total recordable work-related lost time injuries	Number	48
Total recordable injury frequency rate	Number of total recordable injuries per 200,000 hours worked	2.22

Health and safety is a top priority for us, and we continued to work hard to achieve our zero-accident ambition. We have launched an International Sustainability Rating System (ISRS) evaluation of our Health & Safety management system which will help us to drive improvements. We also launched the first of our new SBFE Life Saving Rules, *"I am Safe; we are Safe"* which is designed to ensure that everyone at SBFE takes ownership for collective safety and welfare. This new behavioural safety standard outlines six behaviours we expect from our employees, partners and visitors, including *'I do not put myself and others in danger'* and *'We have open and honest conversations in our workplace to ensure Zero Harm'*.

Supporting employees' health and wellbeing has also been a focus for us this year. In the UK we partnered with Mental Health

First Aid England to train 32 volunteers from around the business to become Mental Health First Aiders. Through the training, the volunteers gained the knowledge and skills to spot signs of people experiencing poor mental health, and the confidence to start a conversation and signpost to appropriate support. We hope that through our network of Mental Health First Aiders we can support every area of our diverse business. We also partnered with MIND, the mental health charity, to provide every SBF GB&I and SBFE UK based employee free mental health awareness training through an easy to access, online course.

We also launched a wellness programme for employees in Spain called Iki Health. Iki Health aims to encourage healthy lifestyle habits through talks, courses and classes, such as pilates and yoga.

Looking forward

The health, safety and wellbeing of our people will remain a top priority in 2023, as illustrated by our new target to reduce the number of Accidents and Lost Time Accidents by 20% year on year. In support of this target, our aim for 2023 is for all our sites to have completed their ISRS evaluation and defined their action plans to address any gaps.



Some of our newly trained Mental Health First Aiders

Accountable for our Supply Chain

Our approach

Protecting the rights and wellbeing of the people who work in our supply chain is of critical importance to us. That's why we work closely with all our suppliers and partners to make sure human rights and the highest ethical standards are respected at every point of our supply chain.

To be included in our SBFE supplier portfolio, all suppliers must sign our prequalification document, which includes a sustainability clause, our Suntory Code of Conduct (or have their own equivalent Code of Conduct in place), and for juice suppliers, our fruit charter. These set out our expectations for suppliers, including:

- Respecting basic human rights, including preventing child labour and any form of modern slavery
- Being mindful of labour conditions, including ensuring working hours, wages and benefits meet relevant local and international standards
- Ensuring a safe and healthy working environment, free from discrimination, abuse and harassment
- Engaging in activities that contribute to the growth and development of society and the local community.



Employees at the sapling nursery in Madagascar



At SBFE, we also have a sustainable sourcing programme to ensure we are achieving sustainable growth. As part of this programme, we are working to increase transparency across our supply chain through our partnership with Sedex.

The more transparent our supply chain, the better able we are to ensure that high standards of working conditions, pay and wellbeing are being upheld at all points and support suppliers and partners to put their own sustainability strategies and actions in place.

From 2022, as part of our supplier approval process, all new direct suppliers, contract manufacturers and logistics providers must register on Sedex, take part in a risk assessment process, and complete a SMETA (Sedex Members Ethical Trade Audit) audit. This audit is conducted by independent third party auditors and helps us understand the

standards of labour, health and safety, environmental performance, and business ethics at a potential supplier site. To be eligible for inclusion in our SBFE direct supplier portfolio, suppliers must be SMETA compliant, meaning they do not have any critical or business critical non-compliances. Those that do, are not included in the portfolio.

But we have not only introduced Sedex requirements for new suppliers, it is now also mandatory for existing direct suppliers, contract manufacturers and logistics providers to register on Sedex and complete a SMETA audit. The information from Sedex is then used as part of our supplier risk assessment and evaluation process. If a SMETA audit identifies any critical or business critical non-compliances, the supplier must take corrective action to address the relevant issue(s) within six months. If no action is taken, the supplier may no longer be eligible for inclusion in our SBFE supplier portfolio.

To ensure all our employees feel confident using Sedex as part of the supplier selection and evaluation process, we organise regular Sedex and SMETA training sessions for our procurement team and provide online e-learning materials which can be accessed at any time.

Our progress

In 2022 we completed the first phase of our sustainable sourcing programme, focused on supplier membership and engagement with Sedex.

We achieved our target of more than 90% of SBFE raw material and pack priority suppliers registered as Sedex members, with 66% of these having performed a SMETA audit.

Looking forward

In 2023, we will continue to work on expanding the scope of our suppliers who will complete the full Sedex process and comply with SMETA audit requirements, so that a significantly greater number of our suppliers are required to go through this process.

We will also continue to formalise our sustainable procurement process. As part of our efforts, we will be updating our procurement policy to include an appendix dedicated to sustainable sourcing and activating phase two of our sustainable sourcing programme, focused on SMETA completion and compliance. Our target is for 34% of our raw material suppliers, pack suppliers and contract manufacturers to be SMETA compliant by the end of 2023, and 80% by 2026.



Female plantation owners in Madagascar

Our Governance: Data tables

Governance	Unit	2022
Confirmed instances of employee non-compliance with laws and regulations	Number	0
Confirmed incidents of corruption	Number	0
Employees that anti-corruption policies have been communicated to	%	100
Employees that have received training on anti-corruption	%	>80
Number of whistleblower reports received	Number	0



Our Drinks: Data tables

Sugar	Unit	2022
Revenue from zero and low calorie products*	€	131.7 million
Volume sold that is low or no-calorie	%	18
Added sugar in portfolio	kg	133 million
Sugar removed through recipe changes	kg	2.6 million
Reduction in average added sugar (YTD vs 2015 baseline)**	%	24

*Revenue from top six selling brands (Oasis Light, Orangina Light, Schweppes Light, Lucozade Zero, Ribena Ready-to-Drink and Ribena Squash). All brands use low calorie sweeteners, with no added sugar

**2015 baseline: 87g sugar per litre
2022 progress: 67g sugar per litre

Natural ingredients	Unit	2022
% of products free from artificial colours	%	81
% of products free from artificial flavours	%	72



Our Resources: Data tables

Packaging materials	Unit	2022
Recycled plastic content in our bottles (portfolio average)	%	36
Primary packaging material that is recyclable	%	75

Waste	Unit	2022
Total weight of waste materials	Tonnes	17,838.9
Weight of hazardous waste	Tonnes	151.5
Weight of non-hazardous waste by disposal method	Tonnes	17,687.4
<i>Reuse / recycle</i>	%	94.2
<i>Incineration</i>	%	4.6
<i>Landfill</i>	%	1.1
Weight of food waste	Tonnes	4,154

Water	Unit	2022
Total water consumption	Megalitres	1,929
Total water withdrawal by source	Megalitres	3,434
<i>Municipal water</i>	Megalitres	1,797
<i>Ground water</i>	Megalitres	1,637
Water withdrawal from locations with high or extremely high-water stress*	Megalitres (% of overall withdrawal)	657.7 (19.2)
Total water discharge by destination	Megalitres	1,504
<i>River</i>	Megalitres	420
<i>Sewer</i>	Megalitres	1,084

*Water withdrawal from Toledo

Our Resources: Data tables

Emissions	Unit	2019 baseline	2021	2022
Scope 1	tCO2e	53,691	51,545	53,410
Scope 2 (market based)	tCO2e	12,296	100	133
Scope 2 (location based)	tCO2e	12,295.9	10,590.8	10,264.8
Scope 3	tCO2e	1,404,855	1,250,279	1,224,277
Total emissions*	tCO2e	1,470,842	1,301,924	1,277,820
Emissions intensity ratio**	tCO2e/ kL	0.600	0.523	0.476

*Total emissions calculated using Scope 2 (market based) values

**Production volume from SBFE owned bottling factories & concentrates factories and production of SBFE brands from contract manufacturers & franchises

Energy	Unit	2022
Total fuel consumption from non-renewable sources, broken down by fuel type* (GJ)	GJ	947,667
<i>LPG</i>	%	1.4
<i>LNG</i>	%	98.3
<i>Diesel</i>	%	0.3
Total energy consumption from renewable sources, broken down by source*	GJ	389,772
<i>Purchased electricity (GO/REGO or PPA)</i>	%	99.2
<i>Energy produced on site</i>	%	0.8
Energy intensity	kWh/kL	215.3

*Data from factories only

Sustainable procurement	Unit	2022
% of agro-materials used that are sustainable*	%	55
% of palm oil used that is RSPO certified	%	77

*To be considered 'sustainable', both the growing and processing of the agro-material needs to meet an SBFE approved standard, such as Gold or Silver in the Sustainable Agriculture Initiative's (SAI) Farm Sustainability Assessment

Our Society: Data tables

Community support	Unit	2022
Charity donations	€	347,789
Product donations*	€	87,000
Community activation**	€	625,500
Total number of employees volunteering	Employees	To be reported in 2023
Total number of hours volunteered	Hours	To be reported in 2023

*Total value of products donated

**Financial support to community partners and programmes



Ourselves: Data tables

Indicator	Unit	2022
Total employees in workforce	People	3,465
Benelux	People	98
EECM (incl. Poland)	People	189
France	People	1,295
GB&I	People	702
Iberia (Spain incl. Citresa + Portugal)	People	1,181
Permanent employees	People	3,328
By gender		
<i>Female</i>	People	1,123
<i>Male</i>	People	2,205
By region		
<i>Benelux</i>	People	94
<i>EECM (incl. Poland)</i>	People	163
<i>France</i>	People	1,255
<i>GB&I</i>	People	670
<i>Iberia (Spain incl. Citresa + Portugal)</i>	People	1,146

Indicator	Unit	2022
Temporary employees	People	137
By gender		
<i>Female</i>	People	77
<i>Male</i>	People	60
By region		
<i>Benelux</i>	People	4
<i>EECM (incl. Poland)</i>	People	26
<i>France</i>	People	40
<i>GB&I</i>	People	32
<i>Iberia (Spain incl. Citresa + Portugal)</i>	People	35

Ourselves: Data tables

Indicator	Unit	2022
Full time employees	People	3,334
By gender		
<i>Female</i>	People	1,100
<i>Male</i>	People	2,234
By region		
<i>Benelux</i>	People	90
<i>EECM (incl. Poland)</i>	People	174
<i>France</i>	People	1,268
<i>GB&I</i>	People	660
<i>Iberia (Spain incl. Citresa + Portugal)</i>	People	1,142

Indicator	Unit	2022
Part time employees	People	131
By gender		
<i>Female</i>	People	100
<i>Male</i>	People	31
By region		
<i>Benelux</i>	People	8
<i>EECM (incl. Poland)</i>	People	15
<i>France</i>	People	27
<i>GB&I</i>	People	42
<i>Iberia (Spain incl. Citresa + Portugal)</i>	People	39

Ourselves: Data tables

Indicator	Unit	2022
New employee hires	People	533
By gender		
<i>Female</i>	People	253
<i>Male</i>	People	280
By age		
<i>Under 30 years old</i>	People	236
<i>30–50 years old</i>	People	250
<i>Over 50 years old</i>	People	47
By region		
<i>Benelux</i>	People	17
<i>EECM (incl. Poland)</i>	People	42
<i>France</i>	People	240
<i>GB&I</i>	People	74
<i>Iberia (Spain incl. Citresa + Portugal)</i>	People	160

Indicator	Unit	2022
Employee turnover	People	613
By gender		
<i>Female</i>	People	257
<i>Male</i>	People	356
By age		
<i>Under 30 years old</i>	People	170
<i>30–50 years old</i>	People	305
<i>Over 50 years old</i>	People	138
By region		
<i>Benelux</i>	People	30
<i>EECM (incl. Poland)</i>	People	40
<i>France</i>	People	228
<i>GB&I</i>	People	107
<i>Iberia (Spain incl. Citresa + Portugal)</i>	People	208
Factory workers*	People	327

*Workers who are not employees but whose work is controlled by SBFE

Ourselves: Data tables

Diversity, equity and inclusion	Unit	2022
All employees		
By gender		
Female	%	34.6
Male	%	65.4
By age		
Under 30 years old	%	11.1
30–50 years old	%	58.6
Over 50 years old	%	30.4
The Board*		
By gender		
Female (%)	%	66.7
Male (%)	%	33.3
By age		
Under 30 years old (%)	%	0
30–50 years old (%)	%	16.6
Over 50 years old (%)	%	83.3

Diversity, equity and inclusion	Unit	2022
SBFE Executive Committee		
By gender		
<i>Female</i>	%	42
<i>Male</i>	%	58
By age		
<i>Under 30 years old</i>	%	0
<i>30–50 years old</i>	%	8
<i>Over 50 years old</i>	%	92
Senior Executives		
By gender		
Female	%	36.4
Male	%	63.6
By age		
Under 30 years old	%	0
30–50 years old	%	18.2
Over 50 years old	%	81.8

*Refers to OSH BV Board of Directors which excludes UK and Ireland entities

Ourselves: Data tables

Diversity, equity and inclusion	Unit	2022
Top Management		
By gender		
Female	%	38.4
Male	%	61.6
By age		
Under 30 years old	%	0
30–50 years old	%	60
Over 50 years old	%	40
Middle Management		
By gender		
<i>Female</i>	%	46.9
<i>Male</i>	%	53.1
By age		
<i>Under 30 years old</i>	%	15.3
<i>30–50 years old</i>	%	62.6
<i>Over 50 years old</i>	%	22.1

Diversity, equity and inclusion	Unit	2022
Junior employees		
By gender		
<i>Female</i>	%	21.9
<i>Male</i>	%	78.1
By age		
<i>Under 30 years old</i>	%	7.7
<i>30–50 years old</i>	%	54.6
<i>Over 50 years old</i>	%	37.7
Ratio of the basic salary of women to men		
<i>Senior Executive</i>	Ratio	0.90
<i>Top Management</i>	Ratio	0.96
<i>Middle Management</i>	Ratio	0.96
<i>Employees</i>	Ratio	0.98
Ratio of remuneration* of women to men		
<i>Senior Executive</i>	Ratio	0.89
<i>Top Management</i>	Ratio	0.91
<i>Middle Management</i>	Ratio	0.95
<i>Employees</i>	Ratio	0.97

*Remuneration includes salary, short term incentives and long-term incentives

Ourselves: Data tables

Learning and development	Unit	2022
Employees who completed their Individual Development Plans	%	86
Total hours of training across SBFE	Hours	12,881
Average hours of training per employees	Hours	3.7

Health and safety	Unit	2022
Employees whose work is covered by our Health & Safety Management system (certified ISO 45001)	%	100
Number of lost time injuries	Number	48
Lost time injury frequency rate	Number of lost time injuries per 200,000 hours worked	1.38
Total recordable injury frequency rate	Number of total recordable injuries per 200,000 hours worked	2.22
Number of fatalities as a result of work-related injuries	Number	0
Rate of fatalities as a result of work-related injuries	Number of fatalities per 200,000 hours worked	0

Health and safety	Unit	2022
Number of high-consequence work-related injuries	Number	1
Rate of high-consequence work-related injuries	Number of high-consequence injuries per 200,000 hours worked	0.02
Number of hours worked	Hours	7,000,000
Number of cases of recordable work-related ill health	Number	0
Number of fatalities as a result of work-related ill health	Number	0

Supply chain	Unit	2022
% of raw and pack suppliers registered on Sedex	%	92
New suppliers screened using social and environmental criteria	Number	Data to be provided in 2023
Suppliers assessed for social and environmental impacts	Number	Data to be provided in 2023
Suppliers identified as having significant actual and potential negative impacts	Number	Data to be provided in 2023

SUNTORY

BEVERAGE & FOOD EUROPE

