

## Suntory Group Supplier Guidelines



In order to provide high-quality products and services safely and reliably based on our corporate philosophy “To Create Harmony with People and Nature” and “Growing for Good”, as well as our Suntory Group Code of Business Ethics, the Suntory Group, as a signatory to the United Nations Global Compact, engages in fair business practices and, in collaboration with supply chain business partners, promotes procurement activities that take social responsibility into consideration, mindful of such points as human rights, labor standards, and the environment. We build good partnerships with our business partners and contribute toward realizing a truly affluent and sustainable society.

These Suntory Group Supplier Guidelines are intended to set the principles of Suntory Group companies to the network of suppliers of the Suntory Group. The Suntory Group Supplier Guidelines provide the basic principles that suppliers of the Suntory Group (hereinafter called “Suppliers”) shall respect, but also emphasize that engagement between both the Suntory Group entity and its Suppliers is essential to achieve a sustainable supply chain. It is the first step of the approval process before any commitment with the Suntory Group. This commitment ensures that the Suntory Group and the Suppliers share the same ethical values which are the first key step of any successful relationship.

To comply with all our requirements, Suppliers are expected to engage their own partners, supply chain and subsidiaries to respect the Suntory Group Supplier Guidelines. Suppliers must comply with international, national and industry related legislations where they operate. The Suntory Group encourages Suppliers to go beyond legal compliance and to work on continuous improvement.



Corporate Philosophy page :  
<http://www.suntory.com/about/philosophy/>

Basic Policy on Supply Chain CSR page :  
<http://www.suntory.co.jp/company/csr/activity/service/procurement/>

## Corporate Tagline



## The Suntory Group Philosophy



## The Suntory Group's Basic Policy on Supply Chain CSR

- 1. Legal Compliance and Respect for International Standards of Conduct**  
We will promote fair and equitable procurement activities that comply with each country's laws and respect international standards of conduct.
- 2. Consideration for Human Rights, Labor, and Safety and Health**  
We will promote supply chain CSR initiatives that respect basic human rights and are mindful of labor conditions and safety and health.
- 3. Guaranteeing Quality and Safety**  
In keeping with the Suntory Group Quality Policy, we will promote supply chain CSR initiatives that seek to guarantee a high level of quality and safety based on the optimal standards for quality, cost, and supply.
- 4. Consideration for the Global Environment**  
In keeping with the Basic Principles of Suntory Group's Environmental Policy, we will promote procurement activities mindful of the global environment.
- 5. Preservation of Information Security**  
Proprietary information regarding procurement dealings and personal information will be strictly controlled.
- 6. Coexisting within Society**  
We will promote social contribution initiatives directed toward coexisting within society.

## Suntory Group Supplier Guidelines

## 1. Legal Compliance and Respect for International Standards of Conduct



### **Business Integrity**

Suppliers must avoid any type of fraudulent practices including conflict of interest, extortion, money laundering, etc.

### **Bribery and corruption**

Suppliers must avoid any type of bribery and corruption and comply with all applicable laws.

### **Fair Competition and anti-trust**

Suppliers must demonstrate fair business practices and must comply with all relevant anti-trust laws and regulations.

### **Gifts and entertainment**

Suppliers are expected to not provide or accept excessive or inappropriate gifts and/or entertainment and only offer or accept gifts occasionally and that are of modest value.

### **Reporting concerns**

Suppliers are expected to have appropriate mechanisms by which employees can raise concerns protected from retaliation.

## 2. Human Rights, Labor, and Safety and Health



### **Child labor**

Suppliers must prevent child labor and comply with all applicable child labor laws, including the International Labor Organization (ILO) standards.

### **Forced labor**

Suppliers must prevent involuntary labor and any form of human trafficking.

### **Working hours**

Working hours must comply with all local laws and regulations, ILO standards and/or collective agreements.

### **Wages and benefits**

Wages and benefits must be in line with local legislation and meet or exceed the legal minimum standards of the country where the workers are employed.

### **Non discrimination**

Discrimination in hiring and employment practices must be prohibited on the grounds of race, religion, sex, age, nationality, language, disability or any other status protected by all applicable laws.

**Abuse and harassment**

The threat or use of physical abuse and/or discipline must be prohibited along with any other forms such as verbal, psychological or sexual abuse.

**Freedom of association and collective bargaining**

Suppliers must respect the right of employees to freely associate, organize and bargain collectively in accordance with applicable laws.

**Access to remedy**

Suppliers must provide a right to remedy for their employees through an accessible and fair grievance process.

**Health & safety policy**

Suppliers must have a health & safety policy, identify any hazards in the workplace, manage them and communicate any potential dangers to the employees.

### 3. Product Quality and Safety

**Product quality**

Suppliers must follow all applicable regulations, and quality delivered must meet approved specifications as agreed by both Suntory Group Companies and Suppliers (hereinafter called "parties").

**Product safety and regulations**

Suppliers must keep themselves constantly informed and respect all legal requirements, deriving from national, of country of manufacture and material destination, and international regulations regarding products and their manufacture.

**Transportation**

Transportation must comply with the Suntory Group standards as agreed by both parties, including container inspection, pallet treatment to prevent taint and/or objectionable odor. At no point during transportation should the product be susceptible to any contamination.

**Provision of reliable product information**

Suppliers must guarantee that the product or service they deliver respects all Suntory Group specifications and must provide related documentation as agreed by both parties.

**Crisis Management and stable product supply**

In the event where a failure to supply a Suntory Group company is apparent, and where business continuity is to be impacted as a result, Suppliers must contact that Suntory Group company so that a contingency measures can be agreed and implemented.

## 4. Global Environment



### Environmental management

All systems are expected to be in place to respect the law so that Suppliers comply with local legislation on environmental issues, and the adoption of global standards such as ISO 14001 is encouraged.

### Waste Management

Suppliers are expected to implement plans to reduce waste as much as possible. Controls must be in place and hazardous waste should be treated separately and handled carefully according to procedures implemented. Where possible, recycling of waste is emphasized.

### Water Management

Suppliers are expected to control the use of water in all its activities, reduce its use as much as possible and ensure that there is no release of waste water directly into nature. Engagement on the conservation of water resources in order to achieve a sustainable use of water is encouraged.

### Energy Usage

Suppliers are expected to implement plans to reduce greenhouse gas emissions as much as possible, using methods such as the use of renewable energy where possible. Energy reduction plans are encouraged.

### Environmental pollution

Suppliers must demonstrate legal compliance and good practice in the management of pollution to land, air or water.

### Biodiversity

Suppliers must demonstrate legal compliance and good practice if operation of their business may potentially impact biodiversity.

## 5. IT Security and Data Protection



### Computer Network Threats

Suppliers are expected to put in place measures aimed at protecting computer networks against threats.

### Confidentiality and Personal Data Protection

Suppliers must safeguard and protect confidential and personal information of all business partners, third parties, employees, and other individuals and organizations and must comply with all related applicable laws.

## 6. Coexisting within Society and Nature



### **Contributing to Society and Local Community**

Suppliers are encouraged to voluntarily engage in activities that contribute to the growth and development of the international and local communities.

### **Encouraging Sustainable practices**

Suppliers are encouraged to voluntarily engage in/promote sustainable practices so as to ensure precious global resources such as water and agricultural products for future generations.

The Suntory Group or appointed representatives of the Suntory Group companies have the right to access partner's factory/ premises to check quality (products and process), human rights, environmental aspects and ethical compliance if necessary. Suppliers must be open and provide all information related to its business with the Suntory Group.

Suntory MONOZUKURI Expert Limited  
Supply Chain Management Division

Suntory Holdings Limited  
Corporate Communication Division

(Established in June, 2017)

**SUNTORY**  
FOLLOW YOUR NATURE