CSR Activities of Group Companies

Contributions to Communities

As a company rooted in related communities, the Suntory Group contributes to the growth of culture and lifestyle in communities in a global level.

Château Lagrange S.A.S.

Thirtieth Year of Our Participating in Management Hosting la Fête de la Fleur, the Prestigious Flower Festival

Château Lagrange, located in a particularly superior red wine region of Medoc in Bordeaux, France, is classified as Troisème Crus (Third Growths) in the Bordeaux wine official classification of 1855. In its impressive history, the name of chateau was found in a document dating back to 1631. We began participating in the management of the chateau in 1983. This was the source of much talk, as the French government had never before allowed a non-Western business to participate in chateau ownership. Back then, everything, from the buildings and equipment to even the vineyards themselves, was in a desolate state. We totally renewed the equipment by combining traditional and modern techniques, and went forward with the replanting of over 60 hectares of the abandoned and deserted vineyards. In order to achieve the reconstruction preserving the good old local traditions, we hired young and talented French engineers and experts with rich experiences from the local area at important positions in wine-making and management. The Japanese representatives have always taken a long-term view in the management of the chateau in cooperation with them. And finally, Château Lagrange has resurrected its reputation enough to have been chosen as the venue for 2013 la Fête de la Fleur* (the Flower Festival), the most important event in the wine industry after 30 years since the acquisition by Suntory. On the day of the event, some 1,500 people were in attendance, including wine producers, distributors and journalists from all over the world, as well as celebrities in various fields. After a solemn and historic Commanderie du Bontemps (Médoc, Graves and Sauternes Wine Brotherhood) investiture ceremony, a great feast was held along the full 108 meter length of the wine-aging cellar. La Fête de la Fleur was an excellent opportunity for the people of the world to directly experience Suntory's long-term perspective on management, as well as the value of Château Lagrange.





Château Lagrange S.A.S., 2005



The Great Feast at la Fête de la Fleur held at Château Lagrange S.A.S. in June of 2013



The 2013 Investiture Ceremony for Honorary Members of the Commanderie du Bontemps



A hand-picked, gentle harvest in the vineyards



Students from Komei Special Needs School listening raptly to the second movement of Beethoven's Piano Trio in B Flat Major, the Gaussenhauer

Suntory Hall

Chamber Music Concerts for Wheelchair Users

Since its opening in 1986, Suntory Hall has been involved in a variety of projects to make it more approachable to all people, including children, young musicians, and persons with disabilities. As a part of that, we sponsor the Chamber Music Concerts for Wheelchair Users in the hope of bringing music to those who would otherwise have fewer chances to visit a concert hall. One teacher from a special needs school left a very positive remark on the event to note that most students do not get the chance to go out and experience art and music. A concert where they can experience live music is a truly valuable opportunity.

Suncafé Ltd.

Trainings and Social Assistance Program in Coffee Country

Suncafé Ltd., a company roasting coffee beans and manufacturing various coffee and tea extracts has on-site training program for the harvesting and selection of coffee beans with local farmers in Guatemala, a key supplier country of the main ingredient for our BOSS brand of canned coffee. With ITOCHU Corporation's local subsidiary, UNEX (GUATEMALA), S.A., the company is working on to provide various assistance programs to support the local communities. In 2013, 11 participants from our group companies, including Suntory Beverage & Food Ltd. and Pronto Corp., visited Guatemala.

In addition to experiencing the differences that climate and terroir can have on the qualities of aroma and flavor of the coffee, they visited clinics the Suntory Group supports and met with several farmers.



Practicing drying the coffee parchment



Practicing harvesting the coffee cherries



Making tortillas with local families

Suntory Foundation

Fostering the Growth of Local Culture, the Suntory Prize for Community Cultural Activities has had 189 Honorees

The Suntory Foundation was established in 1979 to contribute to the development of academic research and culture. It is now celebrating its 35th anniversary this year. The Suntory Prize for Community Cultural Activities is awarded to individuals and organizations that have contributed to the cultural improvement and revitalization of their local communities, as part of an effort to support research activities in the fields of social studies and humanities as well as to foster the rich cultural heritage of Japan's various communities. There have been a total of 189 honorees

Personnel from Pronto Corp. and a mother and

her children waiting for a medical examination

in the 35 years since 1979, and recipients have been selected from every prefecture in Japan, where they continue to work as cultural leaders in their local communities. And as leaders, they are forging a path for the growth of local culture in Japan.



Miyoshi City, Tokushima Prefecture: The Unexplored Mountain Castle of Shikoku, Yamashiro Oboke Ghost Village



Nagahama City, Shiga Prefecture: Kohoku Library

Recipients of the 35th Annual **Suntory Prize for Community Cultural Activities**



Miyazu City, Kyoto Prefecture: Tangofuji Weaving Preservation Society



Iwata City, Shizuoka Prefecture: Okegayanuma Preservation for Dragonflies



Taketomi Township, Okinawa Prefecture: Ufudaki Association and the Kohama Island Grannies Choir

Developing the Next Generation

The Suntory Group is not only interested in supporting students who aim to become entrepreneurs with the use of management resources. We also support the development of a wealth of originality and character in children through our support for a variety of different activities, including sports, music and the arts.

Suntory PepsiCo Vietnam Beverage Co., Ltd.

Eleven Years of Continued Support for the Dynamic Contest, a Program to Support the Education of Students Aiming for Management Positions

Suntory PepsiCo Vietnam Beverage Co., Ltd. is engaged in various programs to support the development of human resources over the long-term in Vietnam including various educational programs, talent development contests, scholarships to ambitious disadvantaged students and equipping facilities to schools of all levels across the country. As part of that, it has served continuously for the past 11 years as the main sponsor of the Dynamic Contest, a program to support the education of students who aim to become managers in Vietnam. Every year, thousands of applications pour in from various regions of the country. Students compete in written tests on financial, managerial and environmental subjects, as well as essays and speeches. Winners are afforded the opportunity to meet with various management executives of PepsiCo and Suntory as well as exchanging knowledge and culture with international students. In addition to contributing to the networking and human resource development that will support growth over the long-term in Vietnam. Through corporate philosophy of "Sharing Profit with Society," Suntory PepsiCo Vietnam Beverage has been focusing on four key CSR areas that are Education, Healthcare, Water and environment, and Helping hands, a voluntary funding program raised by SPVB employees. In each category, with the enthusiastic engagement of its employees, Suntory PepsiCo Vietnam Beverage has been carrying out many activities that contribute effectively for the local community where the company operates.



The 2013 Dynamic Contest Award Ceremony





The judges



Award winner announcement



Reception for students and members of the press

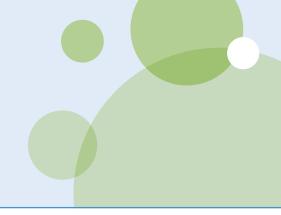


Learning activities for athletic (swimming, ballet) and intellectual (English conversation, arts & crafts) training

Tipness Ltd.

Offering One Stop After School Daycare Services for Athletic and Intellectual Training

Given the increasing importance of daycare centers as the number of households where both parents work grows, Tipness Ltd., which is engaged in the promulgation of fitness clubs, started a partnership in 2013 with WISDOM ACADEMY, a company with a proven track record in private daycare centers, to offer the daycare service for primary school children, Tipness Kids Afterschool supported by WISDOM ACADEMY. What makes it unique is that it is a complete one stop service, by setting up a daycare center within an existing sports club facility, we can offer both athletic training activities such as swimming, ballet and dance, and intellectual training activities, such as English conversation, abacus lessons, and calligraphy. As of April 2014, this service was available at four clubs in the greater Tokyo area. In addition to the benefit of being able to learn various things in one location, the service also solved the issue of waiting-list children who couldn't get into other daycare centers. Tipness Ltd. is planning further growth for the service in the years ahead in the greater Tokyo area.



Cerebos Pacific Ltd.

Presenting Sponsor for ChildAid Asia 2014, Which Benefits Underprivileged Children

Aiming to be a socially trusted company, Cerebos Pacific Ltd., which manufactures and sells health supplements and processed food, is pouring efforts into activities that contribute to the formation of richer communities and better lives through diverse fields, including health, education, sports and the arts. An important part of its efforts has been its support for the ChildAid Concerts held in Singapore since 2005, whose mission is "To provide children, including underprivileged children, with opportunities to participate in artistic activities and to let them find their artistic potentialities and dreams." Support grew to actively include the activities of ChildAid Asia, which seeks to expand their program throughout all of Asia; Japan became involved starting in 2011. In January of 2014, to commemorate the 40th Year of ASEAN-Japan Friendship and Cooperation, ChildAid Asia 2014 was held as the Third ChildAid Asia Concert at Suntory Hall. The concert started with a video message from Japanese Prime Minister Shinzo Abe. In attendance was Her Imperial Highness Princess Akishino of Japan. There was a wonderful performance from 126 children, ranging in age from three to seventeen, from Singapore, Indonesia, Malaysia and Japan. Cerebos Pacific Ltd. is involved in a wide variety of other local contributions, and has won awards as a leading CSR business.



Joint performance featuring a traditional Japanese instrument, Tsugaru shamisen and a traditional Indonesian instrument. Sasando



A four-person comedic combo from Singapore playing a single piano



Suntory Hall, and 126 performers, ranging in age from three to seventeen

Suntory Museum of Art

Developing Diverse Programs that Children Can Enjoy, including Friendly Talks and Parent-child Workshops

The Suntory Museum of Art, in an effort to foster fans of Japanese art, offers free admission to children in middle school and younger, distributes a leaflet known as "Omoshiro Bijutsu Book," and operates education programs for each exhibition such as "Friendly Talks" and Parent-child Workshop. In 2012 we sponsored an exhibition "See, Feel and Enjoy: Omoshiro Bijutsu Wonderland Exhibition." The exhibition allowed, as a Japanese art theme park, both children and adults to experience and explore the wonders of

We are also actively involved in working with local communities and schools to bring school groups in to the museum and to go out as well as to teach about Japanese art at schools.

And it is through these educational activities that children gain a greater appreciation for art, and we contribute to the fostering of richer spirits in general.



Living national treasure, Kazumi Murose, teaching about Japanese lacquer art at schools as a part of our program



"Omoshiro Bijutsu Wonderland Exhibition"



Parent-child Workshop: "Learning Together: The Secrets of Folding Screens"

CSR Activities of Group Companies

Environmental Preservation

The Suntory Group strives to coexist with the global environment. Each company within the group is working to promote a variety of environmental preservation activities that suit their specific business characteristics.

Suntory (China) Holding Co., Ltd.

Focusing on Energy Conservation through Heat Retention from the External Circumference of Bottle Washers



Suntory (China) Holding Co., Ltd. is involved in a variety of activities designed to reduce the environmental impact that occurs at manufacturing. In one project in 2013, the company was engaged in a program to reduce the amount of steam energy used in bottle washers. The method employed at breweries in Shanghai, Kunshan and Guangming was

a heat retention technique using heating water tanks around the circumference of each of four bottle washers. As a result, the amount of steam used in the bottle washers decreased on average by 25%, for an annual decrease of roughly 15,000 tons. This allowed for a decrease in annual CO₂ emissions of 2,400 tons (based on a calculation for the steam energy from natural gas heat). The use of the heat retention also had an insulating effect. The surface

temperature of the body of the bottle washer dropped by roughly 40 degrees Celsius (104 degrees Fahrenheit), which lowered the indoor temperature by seven degrees Celsius. This led in turn to an improvement in the summertime working environment.

Before the introduction of the heat retention method **\$FLIR**

After the introduction of the heat retention method **FLIR**

Changes in the surface temperature of the body of the bottle washer before and after introducing the heat retention

Izutsu Maisen. Co., Ltd.

Maisen Presents an Original Brand of Pork, Amai Yuwaku (Sweet Temptation), **Effectively Leveraging Bread Crusts**



Amai Yuwaku, the original pork brand



A pork cutlet made from Amai Yuwaku pork





Izutsu Maisen. Co., Ltd. is very conscious of not wasting any of our precious resources and is therefore actively involved in reducing and reusing food waste. Symbolic of that effort would be the Maisen original brand of pork, Amai Yuwaku: the hogs are fed on the bread crusts produced during the making of their pork fillet cutlet sandwiches. Maisen spent roughly two years to develop the product, working together with pig farmers and feed companies. The company launched a menu using Amai Yuwaku pork in December of 2012 at the main restaurant in Aoyama (Tokyo), and then deployed it to other restaurants. The name (Sweet Temptation in English) comes from the delicately tender meatiness, the sweetly melting fattiness, and the juicy and rich taste that is embossed into the tongue. Leveraging the bread crusts as fattening feed helps better digestion, producing meatier pork with less fat. As of the end of 2013, production was limited to roughly 12 pigs per month, but plans call for that number to increase moving forward. Maisen also sells the chopped off bread crusts to manufacturers of bread crumbs and sells them as ingredients for making rusk biscottes. These are just some of the ways in which Maisen is engaged in the effective use of resources.



Amai Yuwaku pork at Tonkatsu Maisen http://mai-sen.com/amai-yuwaku/

(in Japanese only)



Subway-contract farm

Subway Japan Inc.

Working to Keep Soil in Healthy Conditions

For its sandwiches, Subway Japan Inc., uses fresh vegetables that tell how they were grown. Such project involves the carefully selected soil management through adding towadaishi, a type of



tuff, found in Akita Prefecture. Its experiments in lettuce cultivation have yielded results: lettuce with higher oxidation resistance and greater sugar content. Not only have we seen bigger heads of lettuce, but they are crispier and sweeter to the taste.

We are also working together with our contract farmers nationwide for healthier soil management, using fewer agrochemicals and fertilizers. The company is currently recruiting more farmers to work in this project, as it strives to create an even better production system.



Towadaishi

Häagen-Dazs Japan, Inc.

The Home Regions for the Milk for Häagen-Dazs and Environmental Preservation Activities for the Kiritappu Wetland

It could be said that what makes Häagen-Dazs ice cream so delicious is its principal ingredient: milk. Within the Nemuro/Kushiro region of Hokkaido, where that milk is produced, Häagen-Dazs has supported



since 2007 the Kiritappu Wetland National Trust NPO in Hamanaka in the Akkeshi District. Kiritappu Wetland is the third largest wetlands in Japan, and is registered under the Ramsar Convention. They believe that preserving this important natural resource will contribute to the preservation of an environment where healthy cows can be raised, leading in turn to the continuous production of quality milk. Furthermore, employees from Häagen-Dazs Japan, Inc. visit the Kiritappu Wetland every year to volunteer to preserve the scenery at the wetlands, repairing the wooden walkways and building bird watching terraces with the local staff. In the seventh trip in 2013, 22 employees participated. The company is broadening its initiatives moving forward to include support for educational activities, such that the local children can increase their understanding of and awareness for the need to protect Kiritappu Wetland.



Kiritappu Wetland



Hamanaka, a realm of dairy farming where more than 20,000 dairy cows are being raised



The wooden walkway repairs that took place in 2013