

## EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES

SUNTORY BEVERAGE & FOOD EUROPE

REPORT SUBMITTED ON 28 APRIL 2022

Type of business/sector  <i>(E.g. retail, dairy)</i>	Sustainability dimension  <i>(E.g. environmental, social)</i>	Code aspirational objective  <i>(1-7)</i>	Individual commitments with baseline	Progress on KPIs and goals (qualitative and/or quantitative)	Additional information <b>(optional)</b>  <i>(E.g. partnerships, geographical coverage, sharing best practices, links with other COM initiatives, with other reporting initiatives)</i>	Comments <b>(optional)</b>  <i>(E.g. enablers, ideas on how to improve)</i>
<b>Beverages, FMCG</b>	<b>Healthy and sustainable diets, social</b>	<b>1</b>	<b>35% added sugar reduction by 2025.</b>  <b>Baseline: 2015</b>	<b>23% added sugar reduction from our baseline</b>  <b>Status: December 2021</b>	<ul style="list-style-type: none"> <li>• In Spain we have managed to reduce the sugar in our drinks by 42% (vs 2015).</li> <li>• In the UK and Ireland we've reduced sugar across our core drink range by 57%, removing 25,000 tonnes of sugar and 98BN calories through a far-reaching reformulation programme.</li> </ul>	<ul style="list-style-type: none"> <li>• The prospective policy framework for a FOPL system should establish an algorithm that accounts for product reformulation and designates respective products</li> </ul>

					<ul style="list-style-type: none"><li>• In France the total reduction of sugar was 24% compared to 2006 without using sweeteners.</li></ul>	<p>to more favourable labelling categories.</p> <ul style="list-style-type: none"><li>• Provide companies with enablers to incentivise and continue research and innovation on product reformulation and consumer preferences to increase the uptake of healthier food and drink options;</li><li>• Provide regulatory enablers for the use of novel biotechnologies to make available more natural sweetener alternatives and offer revolutionary natural options to consumers; and</li><li>• Raise consumer awareness and understanding of safe, reliable, and well-established sweeteners as sugar alternatives.</li></ul>
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<p><b>Environmental, social</b></p>	<p>2</p>	<p><b>Reducing food waste from production by 50% by 2030</b></p> <p><b>Baseline: 2021</b></p> <p><b>0% waste to landfill from our factories.</b></p> <p><b>Baseline: 2019</b></p>	<ul style="list-style-type: none"> <li>• <b>95% of factory waste was recycled in 2021</b></li> <li>• <b>0% waste to landfill will be achieved by Dec 2022</b></li> </ul>	<p>Our internal ESG programmes include:</p> <ul style="list-style-type: none"> <li>• Improving waste management systems in the factories – for example sorting and more efficiency with waste contractors</li> <li>• Employee education on reducing waste and recycling.</li> <li>• Redirecting surplus product to food surplus organizations e.g., partnership with food charity Fareshare in the UK and FoodCloud in Ireland.</li> </ul>	
<p><b>Environmental, circular economy</b></p>	<p>4</p>	<p><b>100% sustainable plastic bottles by 2030, switching to recycled and biobased materials, and fully moving away from fossil fuels-based virgin plastic.</b></p> <p><b>This includes using a minimum of 50% recycled plastic in our bottles by 2025 or sooner.</b></p> <p><b>Baseline: 2019</b></p>	<ul style="list-style-type: none"> <li>• <b>Increase amount of recycled plastic.</b></li> <li>• <b>Invest in new, innovative technologies.</b></li> </ul>	<ul style="list-style-type: none"> <li>• In 2019, SBFE invested in a consortium led by Carbios, a company pioneering a bio-industrial solution to recycling PET using an enzymatic process. In 2021 we produced the world’s first Orangina beverage bottle using the enzymatic recycling process</li> <li>• In 2021 we produced an Orangina bottle made from bio (plant) based material.</li> </ul>	<ul style="list-style-type: none"> <li>• Expedite the approval of recycling process authorisation at EFSA to enable circularity and the achievement of corporate commitments to meet SUPD targets.</li> <li>• Provide a clear and enabling regulatory framework for enhanced and innovative recycling</li> </ul>

				<ul style="list-style-type: none"> <li>In 2021 brands MayTea and Pulco converted from virgin plastic to 100% rPET.</li> </ul>	technologies, including enzymatic recycling.
Environmental, circular economy	4	<p>Ensuring our packaging is 100% recyclable by 2025 by designing for circularity.</p> <p>Baseline: 2019</p>	<ul style="list-style-type: none"> <li>2021 77% recyclability (average across SBFE product portfolio) v 74% 2020</li> <li>Container packaging innovation.</li> <li>Replacement of plastic straws with paper straws.</li> </ul>	<ul style="list-style-type: none"> <li>In 2021 – removal of full sleeve plastic wrap from Lucozade Sport in UK and Ireland replacing with a small label. This now enables bottle-to-bottle recycling.</li> <li>All Ribena drinks cartons now use paper straws across UK and Ireland.</li> <li>Introduction of low density label for Ribena UK and Ireland</li> </ul>	<ul style="list-style-type: none"> <li>Undertake a thorough environmental and socio-economic IA and LCA on reusable packaging in the beverage sector.</li> <li>Ensure that targets are science-based and economically sound, paired with a long transition period and investments.</li> </ul>
Environmental, climate-neutrality	3	<p>50% reduction in GHG emissions scope 1 &amp; 2 by 2030.</p> <p>30% reduction in GHG emissions scope 3 by 2030.</p> <p>Net zero emissions by 2050 or sooner across whole value chain.</p> <p>Baseline: 2019</p>	<ul style="list-style-type: none"> <li>2021 carbon footprint reduction of 1% v 2020, 16.6% reduction v 2019 baseline</li> <li>Scope 1,2 22% reduction v baseline</li> <li>Scope 3 16.3% reduction v baseline</li> </ul>	<ul style="list-style-type: none"> <li>In 2021, 100% purchased electricity from renewable sources, Fr, Sp, Bel, GB.</li> <li>In France, we have reduced our CO2 emissions by 41% per litre of drink produced since 2015 and all four soft drinks plants have already achieved carbon neutrality mainly through strong actions of energy reduction and a compensation programme of remaining emissions. Transportation</li> </ul>	

					<p>represents 11% of our carbon footprint. We are optimizing the number and location of our warehouses in order to reduce distances travelled by our products.</p> <ul style="list-style-type: none"><li>• In Spain we are committed to achieve a 100% zero emission fleet by 2030. In 2022, 70% of the fleet is already Eco and Zero Emission.</li></ul>	
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