



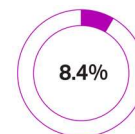
# Suntory

**Score: 14.2% | Rank: 18<sup>th</sup>**

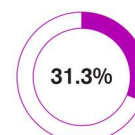
Suntory has an overall score of 14.2% and ranks 18<sup>th</sup> amongst the 25 evaluated companies. Suntory ranked 14<sup>th</sup> on Management systems, 18<sup>th</sup> on Disclosure, and 20<sup>th</sup> on Policy commitments.

The third page has an overview of the scores achieved by Suntory per indicator within each section. Please note that all scores and summaries are based on published information only.

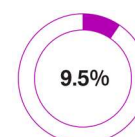
**Policy Commitments**



**Management Systems**



**Disclosure**



## Elements in Place

- **Policy commitments:** Suntory has a Code of Business Ethics that addresses interactions with government officials, applies to intermediaries, and includes guidance on reporting of any actual or potential breaches.
- **Management systems:** Suntory's Board has oversight of its Code of Ethics, which is governed by the Compliance Department of the Risk Management. The company further states that "To assess the compliance with and review the effectiveness of this Code, the Global Risk Management Committee will perform, or have any third party perform, audits of Group Companies as necessary."<sup>1</sup> In addition, Suntory has an easily accessible whistleblowing mechanism, known as the 'Suntory Group Compliance Hotline', that is communicated to employees as part of onboarding and training sessions. Clear process for reporting concerns is also provided.
- **Disclosure:** Suntory discloses via the (mandatory) EU Transparency Register a list of trade association memberships in the EU, meetings held with EU officials and related expenditures. It also discloses some information on the functioning of its whistleblowing mechanism, including the number of cases raised, broken down by issue type.

<sup>1</sup> <https://www.suntory.com/csr/activity/management/compliance/ethics2.html>



## Recommendations for improvement

- **Policy commitments:** Suntory mentions on its website that it developed a global Anti-Bribery Policy in 2016, which includes new provisions on donations and political contributions: it is encouraged to publish this policy. Suntory is also encouraged to develop (and publish) a specific lobbying policy that is aligned with the OECD Principles for Transparency and Integrity in Lobbying and/or the Transparency International Standards for Lobbying Regulation. Suntory should also consider committing to not make political donations in any markets, or commit to disclose any donations made on its own domain. Lastly, the company is also recommended to commit to lobby in support of government policy measures to align with SDGs 2 and 3, the WHO Global Action Plan for the Prevention and Control of NCDs 2013-2030, and/or commitments made at the UNFSS.
- **Management systems:** Suntory should 1) assign to the Board oversight over the company's interactions with governments, including positions on key government policies, and its lobbying policy (once developed), 2) name an executive / function with responsibility for implementation of the policy, 3) and clarify control mechanisms such as regular Board reporting. The company is also recommended to develop (or disclose) processes to manage potential cases of the 'revolving door', for example through requiring 'cooling off' periods and/or restrictions in employee contracts. Finally, Suntory should outline the process for payment and gift pre-approval and recording-keeping in its Code of Business Ethics (or Anti-Bribery Policy).
- **Disclosure:** Suntory is encouraged to publish a list of trade associations that it is a member of, and lobbies on its behalf, both in Japan and in other markets. The company is also recommended to disclose information about its efforts to influence nutrition-related policies in Japan (and elsewhere), including what policies it lobbied on, what its position was, the nature and frequency of interaction with government officials, and any relevant documents (such as consultation submissions). Finally, Suntory should disclose further details about the use of its whistleblowing system, such as the number of cases resolved and breakdowns by issue type and geography.



#	Score per indicator for Suntory	Company score	Average score
<b>Policy commitments: 6.7 total / 80 maximum</b>			
1	Commitment to not lobby against (or commitment to only lobby in support of) public health policies/measures	0.0	1.2
2	Commitment to respect public health policy frameworks in its lobbying activities	0.0	0.6
3	Respect for relevant lobbying standards and codes	0.0	1.8
4	Political donations	0.0	3.6
5	Codes of conduct to prevent bribery & corruption	6.7	7.9
6	Controls over trade associations and industry policy groups	0.0	2.0
7	Crowding out	0.0	0.6
8	Working with others in pursuit of the public interest	0.0	1.1
<b>Management systems: 25 total / 80 maximum</b>			
9	Accountability and responsibility for policy implementation	7.5	4.9
10	Conflicts of interest and revolving door	0.0	1.0
11	Anti-bribery and corruption	7.5	6.8
12	Political donations	0.0	2.4
13	Controls over membership of associations/organizations	0.0	2.4
14	Controls over lobbyists to ensure that they understand and adhere to the company's policies	0.0	2.3
15	Auditing	0.0	0.1
16	Whistleblowing mechanisms	10.0	6.1
<b>Disclosure: 18.1 total / 190 maximum</b>			
17	Taxation of products with high added sugar.	0.0	0.6
18	Measures to regulate the marketing of unhealthy foods to children.	0.0	0.9
19	Front-of-pack (FOP) labelling requirements.	0.0	1.8
20	Influencing national dietary guidelines.	0.0	0.7
21	Other policies to improve public health and diets.	0.0	2.0
22	Disclosure of key lobbying information	3.8	2.0
23	Memberships of trade associations	1.9	3.2
24	Activities undertaken by trade associations	0.0	0.2
25	Alignment between lobbying principles and trade associations	0.0	0.1
26	Expenditures on trade associations	0.0	1.2
27	Expenditures on lobbyists (in-house and third party)	2.5	1.8
28	Political donations and contributions	0.0	2.3
29	Conflicts of interest	0.0	0.0
30	Auditing	0.0	0.2
31	Whistleblowing mechanisms	5.0	2.7
32	Other disclosures	0.0	0.4
33	External stakeholder engagement	0.0	0.3
34	Disclosure of lobbying policy	5.0	4.5
35	Main disclosure regarding lobbying activities/expenditures	0.0	3.0
<b>Total: 49.8 / 350</b>			