

Suntory Beverage & Food Europe

Climate Transition Plan 2026



SUNTORY
BEVERAGE & FOOD EUROPE



Contents

Introduction

Introduction 02

The big picture 03

Actions in our value chain 04

Actions we can control 06

Actions we can influence 09

Actions by others 11

Getting real about climate resilience 13

Physical risks 15

Transition risks 15

Building resilience 17

Enablers 18

Engaging our stakeholders 19

Governance and financial planning, monitoring and reporting 20

Advocacy 22

Supporting a just transition 23

Appendix 24

Methodology and data 25

Emissions data 25

Glossary 27

The scope of this report 28

Welcome to our first Climate Transition Plan

A message from our Chief Executive Officer

It is with pleasure and humility that I introduce Suntory Beverage & Food Europe's ("SBFE") first Climate Transition Plan. We are part of a global manufacturing organisation, with the impacts of a changing climate felt across the total value chain. I fully recognise our responsibility to protect our people, our communities and our planet, and with this Plan, we are setting out our blueprint for the future, where we aim to reach net-zero by 2050.

As a global enterprise, Suntory Holdings' corporate purpose is to "inspire the brilliance of life, by creating rich experiences for people, in harmony with nature". This philosophy provides direction and cohesion, even during times of international volatility. With fast rising global average temperatures, the climate emergency now presents challenges for all of us, businesses and communities alike.

The agricultural sector accounts for around a third of global greenhouse gas emissions, and as a leading food and beverage manufacturer, we recognise the important role our sector can play in supporting a lower-carbon, more resilient future. Climate change

is already influencing supply chains, natural resources and the communities connected to them, reinforcing the need for practical action and long-term collaboration. By working with farmers, suppliers, partners, community and interest groups, and policymakers, we can help protect soils, biodiversity and freshwater resources, reduce emissions across our value chain and support more sustainable packaging solutions. This is both a responsibility and an opportunity to strengthen resilience for our business, our partners and the communities we serve.

At SBFE our sustainability strategy, and the actions that we take, are fundamental to how we grow, thrive and survive as a business. This long-term Climate Transition Plan ("CTP") tackles the issues head-on, working to reduce emissions from across our value chain, alongside building resilience in our supply chain, preserving the quality of our ingredients and sustaining the communities we rely upon to produce them.

I'm proud to lead an organisation that is prepared to lean into these challenges, in collaboration with our partners and the governments where we operate. For me, this positive, pragmatic approach embodies our value of 'Growing for Good'.

Pierre Decroix

Chief Executive Officer

Suntory Beverage & Food Europe



The big picture

Meeting our targets will involve action, partnership and innovation across six key parts of our value chain. We’ve identified 13 key actions, referred to in this plan as our ‘transition levers’, that sit within them. They will help to reduce our greenhouse gas (“GHG”) emissions and achieve the Science Based Targets initiative (“SBTi”)-validated climate targets of Suntory Beverage & Food Limited, which we adopt as SBFE.

We’ve organised our transition levers according to the level of influence that we have over them, from those that are within our control, to those where we’re reliant on others to create change. Underpinning the levers are our ‘enablers’: these are the foundations, resources and systems that we need to keep us on track to meet our 2030 and 2050 climate targets.

This Climate Transition Plan was approved by the SBFE Executive Committee and Orangina Schweppes Holding B.V. Board in Q4 2025.

Our targets¹

Reduce Scope 1, 2 and 3 GHG emissions by 30% by 2030

Achieve net zero GHG emissions across our operations and value chain by 2050 or sooner

Broken down by

→ Reduce Scope 1 and 2 GHG emissions by 50% by 2030
→ Reduce Scope 3 FLAG GHG emissions by 33%

→ Reduce Scope 1, 2 and 3 GHG emissions by 90% by 2050
→ Reduce Scope 3 FLAG GHG emissions by 72% by 2050

1. All decarbonisation targets have a 2019 baseline.

Stemming from our Growing for Good Sustainability Framework:

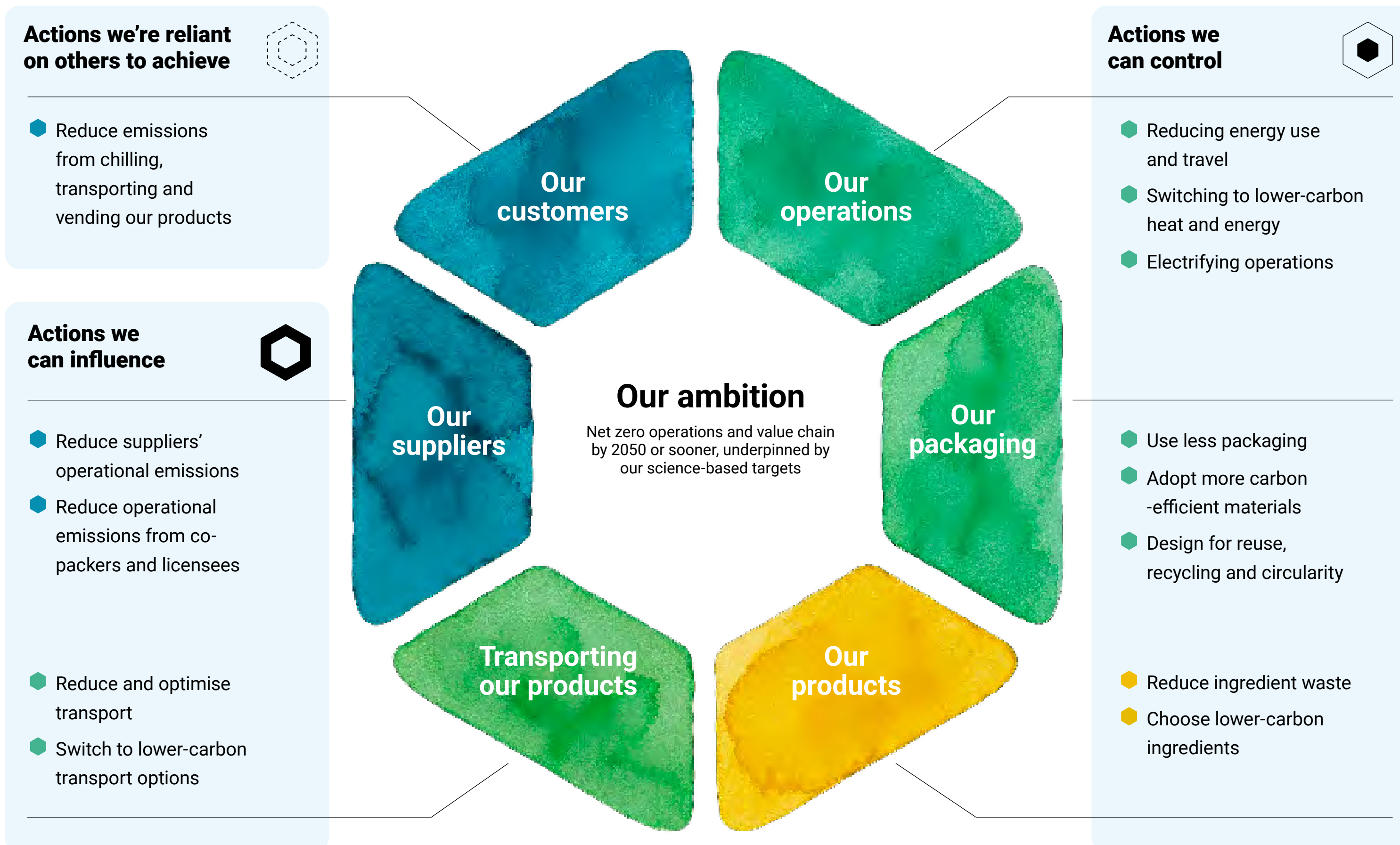
 Our resources

 Our drinks

 Ourselves and partners

 Our society

Our transition levers



Delivering our plan



Governance and controls



Financial planning



Stakeholder engagement



Policy and advocacy



Just transition principles



Monitoring and reporting

Progress against our GHG emissions baseline

As part of our process of setting emissions targets, in line with the SBTi we have calculated our baseline emissions for 2019 across our own operations (Scope 1 and 2) and our value chain (Scope 3). We monitor our ongoing progress and report it annually against this baseline. Between 2019 and 2025, we reduced our total emissions by 251 ktCO₂e (19% reduction since 2019). Understanding the progress we've made since 2019 enables us to identify where our remaining emissions hotspots are. This means that we can prioritise the right future actions and engagement to meet our net zero targets, and underpins our climate transition planning.

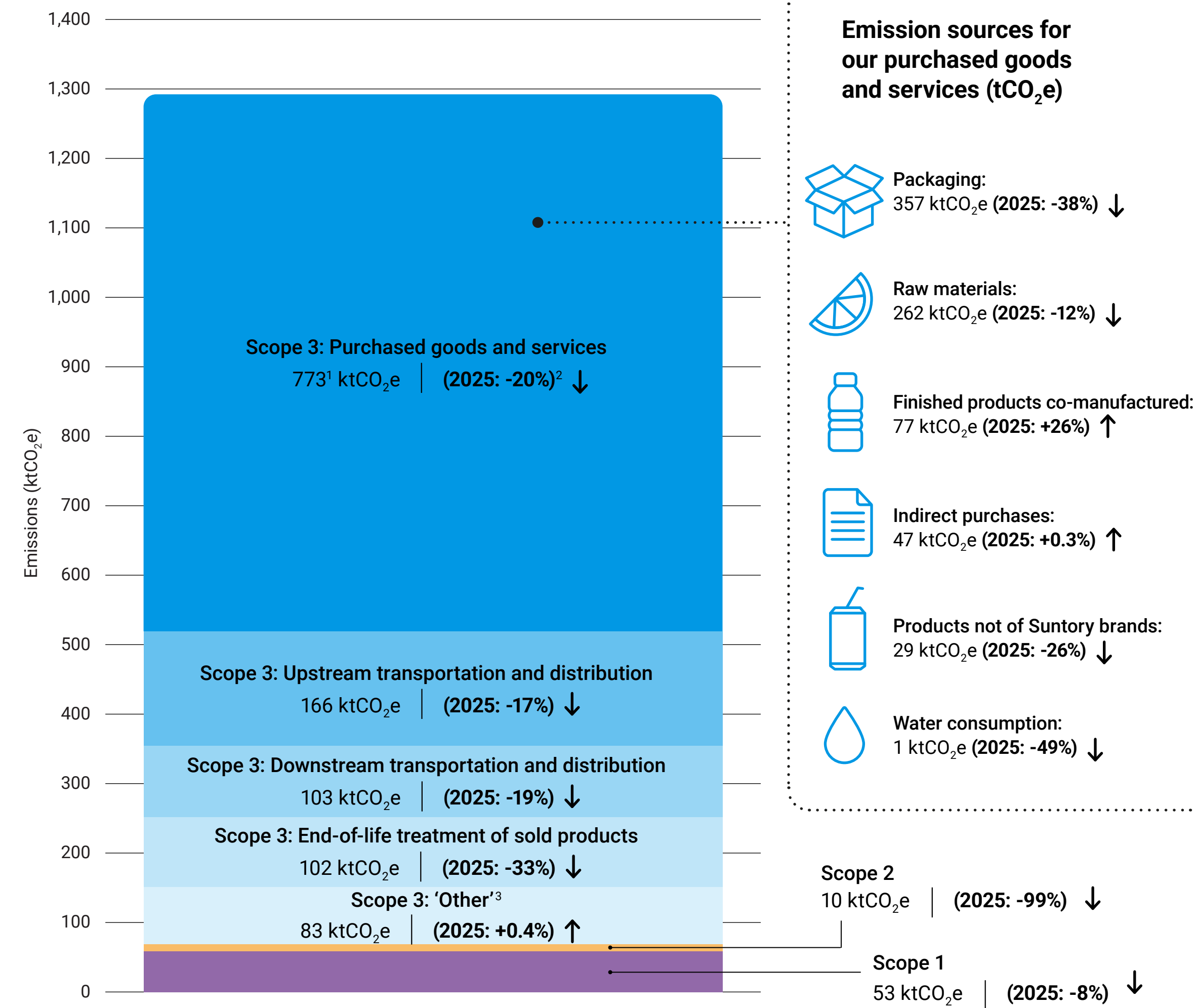
Our value chain (Scope 3) accounts for the largest proportion of our climate impact, at around 95% in 2019 and 2025. Within this, the largest proportion of emissions comes from the goods and services we purchased ("PG&S").

As a producer of beverages, our business relies on agricultural activities for key raw materials. Raw materials and packaging represent the two largest contributors to our PG&S emissions. In line with SBTi and Greenhouse Gas Protocol Land Sector Removal

Standards guidance, we calculate the split of our emissions between Forest Land and Agriculture ("FLAG") and non-FLAG. FLAG emissions arise from land management, land-use change, agriculture and forestry activities across our value chain (e.g. production of sugar and fruit-based ingredients), whereas non-FLAG emissions cover energy and industrial-related activities (e.g. fuel combustion and manufacturing processes). In future updates to our CTP, we will strengthen our reporting FLAG emissions by increasing our use of primary data and targeted engagement with key suppliers. This will enable greater visibility and traceability throughout our supply chain.

See the Appendix on page 24 for more detail on the methodology, third-party assurance and standards alignment.

Our 2019 GHG emissions baseline



1. Emissions have been rounded to the nearest whole ktCO₂e.

2. Percentages in the chart represent percentage changes in emissions from 2019 to 2025.

3. 'Other' emissions include: capital goods, fuel- and energy-related activities, waste generated in operations, business travel, employee commuting, upstream leased assets, use of sold products, franchises.

Our carbon reduction pathway

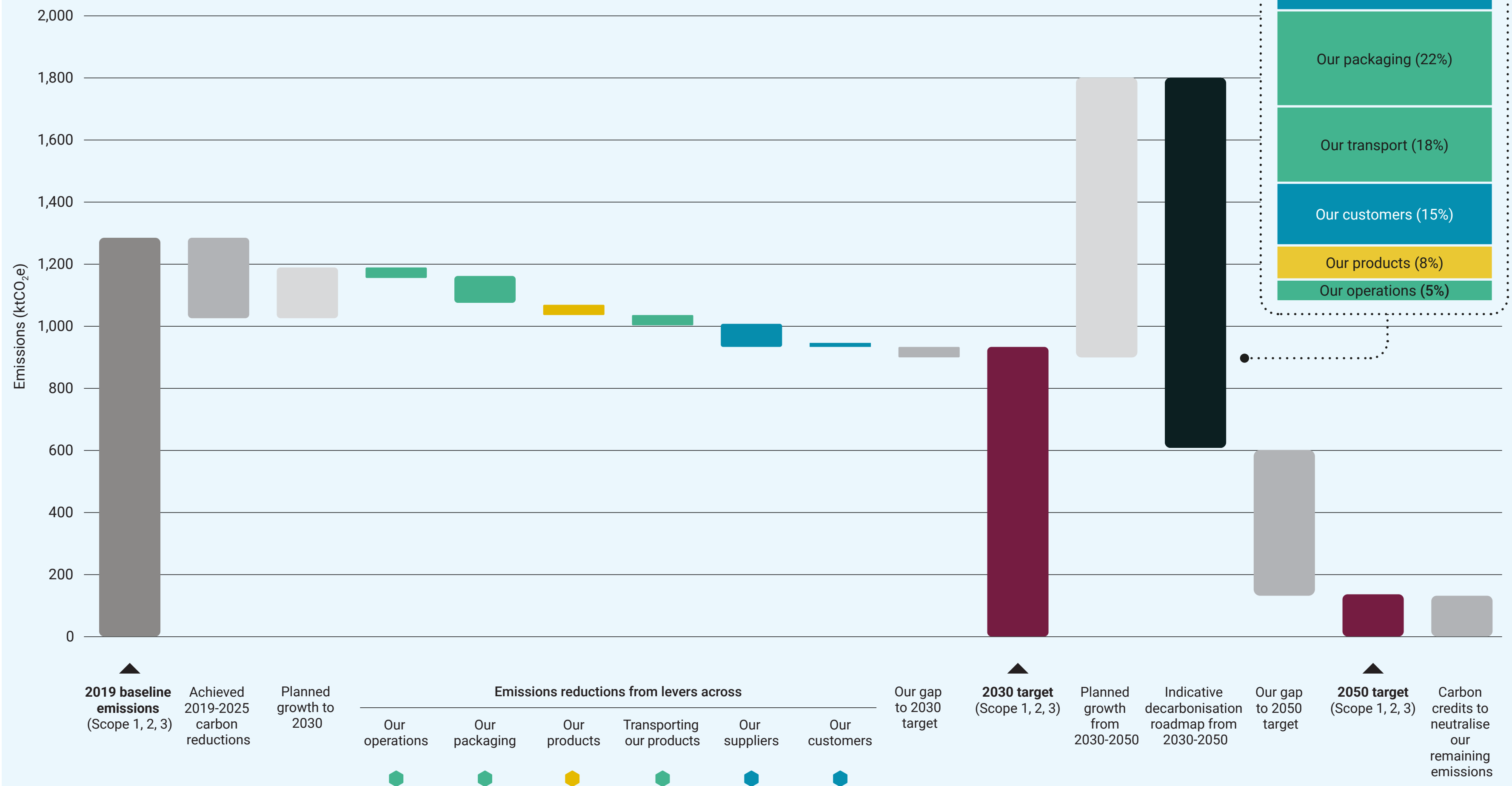
This CTP is structured around our transition levers – the actions we will take to deliver emission reductions across each stage of our value chain up to 2030. Beyond 2030, we expect that our operating environment and maturation of technologies will have changed significantly. As a result, our pathway to 2050 is one that will require ongoing review and flexibility.

While our plan includes gaps to both 2030 and 2050, these are gaps that we expect will be closed through developments in the right innovations and right conditions to allow us to move faster and further in key areas. We call these our dependencies – they’re areas where we rely on changes in the wider operating environment.

Our target will rely in part on others to make certain reductions; despite this, we believe our goal is achievable. Our key enablers will help us implement our plan across the business and across our key partners.

We also know that there will be challenges on the journey: trade-offs will need to be assessed, such as balancing using recyclable materials with those which have lower-carbon emissions associated. At the same time, certain investments, such as in regenerative agriculture, deliver benefits beyond decarbonisation such as soil health, biodiversity, supply security and social benefits. In these situations, we will review on a case-by-case basis in order to make decisions that progress us towards our goals, maximise co-benefits and create efficiencies.

Aiming to reach net zero by 2050 or sooner



Operations

We're focused on creating more resilient operations while reducing our climate impacts. To get there, we're increasing operational energy efficiency with measures such as upgrading equipment, electrifying our power supplies and innovating to replace carbon-intensive fuels.

🔍 Actions we can control

TRANSITION LEVER

Reducing energy use and travel

Target contribution: 0.9%



INITIATIVES

In progress:

- Increasing energy efficiency of processes, including heat exchanger optimisation, and site-specific energy master plans
- Upgrading equipment to improve energy efficiency
- Reducing travel demand via remote working and virtual meetings

To explore:

- Deploying advanced energy monitoring and management systems
- Conducting audits to identify opportunities to reduce steam usage and waste heat

EMISSIONS SOURCES

- Combustion of natural gas for electricity, hot water and steam generation
- Purchased electricity in operations
- Travel emissions from commuting and business travel

DEPENDENCIES

- Availability of technologies, expertise, digital tools and energy efficiency improvements, audits, optimisation and monitoring systems
- Availability and quality of low-carbon mobility solutions such as rail and digital tools for travel reduction including quality of connectivity

Switch to lower-carbon heat and energy

Target contribution: 0.2%



In progress:

- Installed photovoltaic solar panels at our sites
- Purchasing Renewable energy certificates, such as guarantees of origin and/or power purchase agreements

To explore:

- Adopting low-carbon fuels (e.g. biomass, biomethane etc.) for thermal processes
- Replacing gas boilers by combining solar thermal with heat pumps
- Improving efficiency of processes such as replacing steam with hot water and recycling heat

- Combustion of natural gas for electricity, hot water and steam generation
- Purchased electricity

- Commercial viability of lower-carbon fuels
- Sufficient availability of renewable energy in operating regions

Electrify operations

Target contribution: 9.4%



In progress:

- Converting industrial processes to use electricity, including chillers. Includes decommissioning combined heat and power plants and installing heat pumps
- Transitioning forklifts and company cars to electric vehicle options, supported by charging infrastructure at our sites

- Combustion of natural gas for electricity, hot water and steam generation, and diesel engines

- Local grid reliability and capacity together with stability of market pricing and regulatory approval of higher electrical loads
- Sufficient electric vehicle infrastructure in operating regions

Packaging

We’re reducing the materials used in our packaging and making our products easier to reuse and recycle. We aim for 100% of our polyethylene terephthalate (“PET”) primary packaging to be either made from 100% recycled material or without fossil fuels. We’re also working with industry peers to support improvements in recycling infrastructure and collection systems, for example by participating in deposit return system country working groups and advisory forums.

🏠 Actions we can control

TRANSITION LEVER	INITIATIVES	EMISSIONS SOURCES	DEPENDENCIES
Use less packaging Target contribution: 6.6% 	In progress: → Reducing materials through the lightweighting of packages and reduction of surplus, while maintaining performance and compliance → Improving the efficiency of production processes to reduce packaging waste To explore: → Optimising packaging formats and increasing product-to-packaging ratios to reduce materials and logistics emissions	→ Production of packaging materials → Packaging waste generated in operations → Processing and end-of-life treatment of discarded packaging	→ Ability of modified and reduced packaging to maintain structural integrity, product protection, shelf life and manufacturing compatibility → Availability of suitable manufacturing technologies and suppliers’ timely ability to design, validate and industrialise lighter formats at scale
Adopt more carbon-efficient materials Target contribution: 17% 	In progress: → Maximising recycled content → Using ecodesign tools (Pilario) and lifecycle assessments tools to assess impacts and optimise for lower-carbon performance To explore: → Shifting our portfolio to lower-carbon materials where feasible, and enhancing the material mix of packaging → Procuring high-quality chemically recycled or bio-based PET	→ Production of packaging materials → Processing and end-of-life treatment of discarded packaging	→ Availability and economic viability of lower-carbon including recycled and locally sourced materials to replace virgin material use → Ability of lower-carbon materials to maintain product performance, manufacturing compatibility, and compliance with food contact, recyclability and waste requirements → Consumers’ acceptance and confidence in products packaged in alternative materials
Design for reuse, recycling and circularity Target contribution: 10.4% 	In progress: → Replacing single-use glass bottles with more reusable alternatives where feasible → Maximising use of materials which can be conventionally recycled → Reusing secondary and tertiary packaging types → Designing packaging for recyclability and circularity via material simplification, including mono-material formats → Preparing for country-level deposit return schemes	→ Production of packaging materials → Processing and end-of-life treatment of discarded packaging	→ Availability of circularity infrastructure such as effective collection, sorting and recovery systems in key locations → Stakeholder participation to ensure return, sorting and proper packaging disposal → Supportive policies for compliance with durability, safety and product protection requirements → Economic viability and operational feasibility of reverse logistics, cleaning processes and system installations

Products

The ways we produce our products can reduce GHG emissions and lower our impact. We're scaling up regenerative agriculture schemes that aim to support soil health, biodiversity and water resilience. These use techniques such as integrating trees and shrubs with food crops, together with limiting fertiliser and pesticide use to protect natural resources. We're also controlling food and water waste in our operations.

 Actions we can control

TRANSITION LEVER

Reduce ingredient waste

Target contribution: 0.01%



INITIATIVES

In progress:

- Identifying and reducing food waste by optimising production processes and improving storage conditions for raw materials, semi-finished and finished products
- Reducing CO₂ losses in the carbonation process
- Improving planning and demand forecasting to limit overproduction
- Reducing by-products and waste, and creating value from those that remain, in line with anticipated growth between 2030 and 2050

EMISSIONS SOURCES

- Production of raw ingredients
- Food waste generated in operations

DEPENDENCIES

- Processes and innovation to reduce ingredient waste remaining compatible with food safety regulations
- Variability in demand and market dynamics: may involve higher costs or price volatility, influencing feasibility and pace of adoption

Choose lower-carbon ingredients

Target contribution: 12%



In progress:

- Using lifecycle assessment tools to support lower-carbon formulation choices in our product portfolio, while maintaining premium quality and customer satisfaction
- Procuring biogenic CO₂ made from breaking down living organic matter such as plants and agricultural waste at selected sites
- Implementing regenerative agriculture pilots across key ingredients that aim to reduce agricultural emissions and to support soil health and biodiversity

To explore:

- Sourcing lower-carbon raw materials
- Scaling regenerative agriculture initiatives across key ingredients

- Production of raw ingredients

- Accessibility, availability and economic viability of lower-carbon ingredients
- Consumer acceptance of product reformulation impacts on taste, appearance, texture etc.
- Availability and reliability of supply of local biogenic CO₂

Product transportation

We're optimising our routes to reduce travel impact between our suppliers, sites and customers, and maximising the efficiency of our deliveries. We're also transitioning to lower-carbon transport options, such as electric or certified biofuel-powered trucks.

 Actions we can influence

TRANSITION LEVER

Reduce and optimise transport

Target contribution: 0.2%



INITIATIVES

In progress:

- Improving routing and planning, including between warehouses and distribution networks, combining deliveries and reducing frequency, to reduce travelled distances and empty runs
- Increasing truck fill rates and reducing empty or partially loaded journeys
- Adapting product formats to maximise transport efficiency

To explore:

- Collaborating on logistics flows with customers and partners to improve asset use and reduce duplication
- Using dynamic planning and digital tools that optimise routes, loads and network performance

EMISSIONS SOURCES

- Suppliers serving SBFE, our network of sites and customers

DEPENDENCIES

- Location of key sites, distribution centres and customers to allow for optimised routing

Switch to lower-carbon transport options

Target contribution: 11.7%



In progress:

- Switching priority from road to rail transport where feasible
- Transitioning to electric trucks or trucks powered by certified biofuels including HVO, B100 and bio-liquefied natural gas

To explore:

- Prioritising logistics providers operating lower-emission fleets and other low-carbon transport solutions
- Exploring the use of biofuels in our subcontracted fleets

- Suppliers serving SBFE, our network of sites and customers

- Availability of electric vehicles and charging infrastructure, and grid decarbonisation in key locations
- Availability of sustainable, certified local fuel supplies
- Affordability of lower-carbon fuels
- Supportive government policies and investments in electric vehicle and rail infrastructure, and other lower-carbon transport solutions in key regions

Suppliers, co-packers and licensees

Co-packers are third-party companies we partner with to bottle or manufacture our products. Licensees have the right to produce, distribute and/or market our brands in specific territories under a licensing agreement. Both groups are considered value chain partners: independent companies whose climate impacts we seek to positively influence through collaboration and engagement.

 Actions we can influence

TRANSITION LEVER

Reduce suppliers' operational emissions

Target contribution: 26.4%



INITIATIVES

PACKAGING, INGREDIENTS & TRANSPORT

In progress:

- Working with suppliers to set targets to reduce their Scope 1 and 2 emissions, including switching to procuring renewable energy and lower-carbon operations
- Supporting suppliers to use material innovation, lower-carbon transport and their own supplier engagement to reduce their Scope 3 emissions
- Collecting and monitoring supplier emissions data and progress

To explore:

- Building supplier capability through training, tools and collaboration
- Integrating climate criteria into procurement processes for contracts and supplier selection

INDIRECT PRODUCTS & SERVICES (e.g. media and marketing)

To explore:

- Switching to suppliers who are decarbonising in line with our commitments
- Sourcing less carbon-intensive products and services such as increasing the use of recycled and recyclable materials in point-of-sale displays

EMISSIONS SOURCES

- Purchased goods and services
- Upstream transport

DEPENDENCIES

- Suppliers setting and making progress in line with their emission reduction targets
- Access to low-carbon technologies and infrastructure in supplier regions
- Robust and reliable GHG data from across supplier value chains
- Access to renewable electricity in local markets
- Economically viable national energy prices and subsidies

Reduce operational emissions from co-packers and licensees

Target contribution: 1.9%



In progress:

- Collecting and monitoring licensees' and co-packers' emissions data and progress
- Working with partners on climate target setting and decarbonisation plans, and integrating climate criteria into contracts and partners selection
- Building capability through training, tools and collaboration

To explore:

- Working with partners to procure renewable energy

- Licensees' Scopes 1 and 2
- Co-packers' Scopes 1, 2 and 3 associated with ingredients and packaging

- As above, as applicable to licensees and co-packers

Customers

We lease and lend vending machines, fridges and chillers to our customers, supporting more energy efficient storage and chilling. Though this represents a small proportion of our overall footprint, the following levers represent opportunities for customers to reduce emissions and progress relies on our engagement and support to implement the actions needed.

 **Actions by others**

TRANSITION LEVER

Reduce emissions from chilling, transporting and vending our products

Target contribution: 3.4%



INITIATIVES

In progress:

- Reducing energy use in storage and retail, as well as electrifying operations including better controls with reduced refrigerant emissions
- Improving the energy efficiency of refrigerators, chillers and vending machines
- Transition to renewable and low carbon across their operations, with a focus on chilling, transporting and vending products
- Shifting to electric or alternative fuel vehicles
- Adopt lower-carbon operations and align on decarbonisation actions in transport and energy use

EMISSIONS SOURCES

- Customer power consumption for storage of products
- Customer transport of products

DEPENDENCIES

- Government policy that incentivises and mandates climate action
- Customer action to reduce emissions through energy efficiency optimisations and the transition to renewable and low-carbon energy sources
- Customers' financial capacity and investment priorities
- Customers' operational practices and behaviours
- Electricity grid carbon intensity in end markets

Long-term planning: 2030 to 2050

Although it's harder to predict the long-term context, such as market readiness, incentives and dependencies, we know that the impacts of a changing climate are only going to increase. To support resilience across our business and value chain, we're looking ahead at how our transition levers and initiatives may need to evolve between 2030 and 2050. We plan to update our published CTP every three years, supplemented by regular reviews internally to ensure we're adapting our plans and remaining flexible, realistic and innovative. Our plans from 2030 to 2050 are likely to be updated in future CTP publications. See 'Effective governance and reporting' on page 20.

SBFE VALUE CHAIN	TRANSITION LEVER	INITIATIVES TO EXPLORE
Operations and product transportation	Reducing energy use and travel	→ Scaling back steam consumption by transitioning to hot water systems where feasible
	Switching to lower-carbon heat and energy	→ Switching to low-carbon steam generation technologies for residual uses → Assessing feasibility of replacing gas boilers with heat pumps or biomass boilers and solar thermal for heating water → Transitioning to fully electric and hydrogen powered trucks
Packaging	Reducing material use	→ Introducing label-free bottles → Exploring reusable packaging systems → Reusing point of sale marketing materials
	Using different materials	→ Sourcing chemically recycled polyethylene ("PE"), biogenic CO ₂ based PE and PET
Products	Choosing lower-carbon ingredients	→ Developing more product formulations that align with sustainability commitments → Expanding regenerative agriculture programmes that benefit soils to maximise carbon storage potential → Promoting adoption of lower-carbon products through sales and marketing activities
Suppliers, co-packers and licensees	Reducing suppliers' co-packers' and licensees' operational emissions	→ Aligning suppliers, co-packers and licensees with mandatory SBFE decarbonisation targets → Switching suppliers to those aligned with our decarbonisation pathway where necessary
Customers	Reducing our emissions from vending, transporting and chilling our products	Storing and refrigerating products: → Transitioning to low-carbon or zero-emission refrigeration systems → Redesigning sites for near-zero energy operations → Scaling advanced digital optimisation of energy systems
		Transporting products: → Transitioning to zero-emission logistics via electric and alternative fuel fleets → Redesigning distribution networks for low-carbon delivery

Getting real about climate resilience

The impacts of climate change are already being felt throughout our value chain – from heatwaves and heat stress disrupting production processes, to flooding events posing a risk of physical damage to our production sites. As a beverage manufacturer, we're also highly dependent on water for production, cleaning and cooling processes. The increasing frequency of drought conditions threatens this supply and increases supply chain volatility and costs.



Understanding how our business is affected by climate change is central to building our long-term resilience. In our analysis of a range of scenarios¹ on short-, medium- and long-term horizons we’ve identified the most impactful physical and transition climate risks and opportunities we face², giving us a clearer picture of where our business is exposed and where we are well-placed to adapt.

Our most material risks and opportunities are:

-  Heatwaves
-  Water stress
-  Regulatory pressure on CO₂ emissions
-  Circular economy solutions in packaging

For these risks and opportunities, we have modelled the anticipated financial impact of each scenario and time horizon on our revenue. Our modelling shows the cost we’d bear if we took no action, and the cost of the actions needed to mitigate each of our most material risks and opportunities. Further detail on how we assessed these costs can be found in the Appendix (page 24). On the next page we explore our physical and transition risks and opportunities in more detail.

Potential impact of risks and opportunities on our revenue, against climate scenario

KEY: ● Low <3% ● Medium 3-5% ● High >5% of revenue baseline: €2.2bn SBFE net sales value

CATEGORY	RISK/OPPORTUNITY DESCRIPTION	SCENARIO/PATHWAY	SHORT TERM 2030	MEDIUM TERM 2040	LONG TERM 2050
Physical risk	Heatwaves	→ Low emissions	●	●	●
		→ High emissions	●	●	●
	Water stress	→ Low emissions	●	●	●
		→ High emissions	●	●	●
Transition risk	Regulatory pressure on CO ₂ emissions	→ Business as usual	●	●	●
		→ Central case	●	●	●
		→ Net Zero	●	●	●
Transition opportunity	Circular economy solutions in packaging	→ Business as usual	●	●	●
		→ Central case	●	●	●
		→ Net Zero	●	●	●

1. Physical risks were assessed against two scenarios – low degree of warming and high degree of warming, transition risks and opportunities were assessed against three ranging from an orderly to a disorderly transition. Further details on these scenarios can be found in the Appendix (page 24).

2. Identified risks were scored and prioritised through our Double Materiality Assessment approach. More details on this process can be found in the Appendix (page 24).

Physical risks and opportunities

An assessment of risk exposure was conducted across all SBFE manufacturing sites, complemented by an assessment of selected priority upstream value chain assets. Located in France, Spain, the United Kingdom and Brazil, these assets were assessed against nine physical climate hazards, including heat stress, flooding, water stress, wildfires, and extreme wind and storm events¹.

Our physical risks present challenges to both our key ingredient sourcing communities as well as at our main production sites. These risks may result in higher costs for alternative suppliers and/or reduced revenue from disrupted supply chains. For example, in our most exposed sites, located in Spain, our modelling shows that heat stress could result in 13 down days in 2030, rising to 20 by 2050 under our high emissions scenario.

Climate risks in key sourcing regions including South America and Africa pose strategic vulnerabilities. Both regions have a high economic dependency on growing and selling raw materials, with limited supply chain resilience and volatile commodity prices on goods such as fertilisers. To address this, we're working with growers and their communities to improve agricultural practices that better protect yields and support natural resources such as soil and fresh water.

Transition risks and opportunities

Regulatory and technological shifts don't stop at our own operations – they impact our suppliers too, so building resilience means understanding the risks and opportunities that come from the transition across our entire value chain. From an extensive list of potential risks, we have identified five priority areas:² tightening sustainability and climate reporting regulation, product sustainability mandates, carbon pricing, rising costs of sustainable packaging materials, and gaps in EV infrastructure for logistics. We also have three priority opportunities: innovation in low-emission products, upstream engagement on circular packaging, and meeting client expectations on sustainability.

Financial impact modelling shows that increasingly stringent regulatory requirements on product sustainability performance could have a material financial impact on the business. This could include mandates on packaging such as the EU's Packaging and Packaging Waste Regulation ("PPWR") design, recycled content and emissions which could lead to price rises, operational adjustments and penalty costs for non-compliance. In addition, disclosure regulation in our operating markets may also lead to higher compliance costs.

Our most material transition opportunity is continuing investment in reducing packaging waste and reliance on virgin materials to meet consumer demand. This involves further implementing and exploring opportunities to collaborate with suppliers on accelerating adoption of lower-carbon and increasingly circular packaging solutions.

Managing climate risks and opportunities

We embed climate-related mitigation in our business through governance, an Enterprise Risk Management ("ERM") system, and performance management frameworks. Even with our CTP implemented, we know there will still be exposure to the impacts of climate change, particularly around water stress, agricultural supply disruption and regulatory change. These risks aren't fully within our control. They depend on factors like the severity of climate change itself, how well our suppliers adapt, how quickly recycle and reuse infrastructure develops and the availability of lower-carbon technologies. On the next page we outline our plan for our more material risks and opportunities – combining mitigation and adaptation actions across operations, procurement, supply chain and capital planning. We monitor progress against our climate risk and opportunity response plans through existing business key performance indicators ("KPIs"), including emissions reduction targets, water performance, packaging and

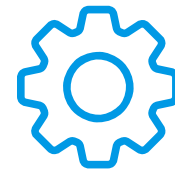
resource efficiency metrics. We'll continue to assess whether additional metrics should be monitored. See the Governance and financial planning, monitoring and reporting section of this plan on page 20 for more details on risk management and governance.



1. See Appendix page 24 for a full list of physical risks identified and validated internally.

2. Methodology for identifying and prioritising transition risks and opportunities can be found in the Appendix (page 24).

Integrating climate action with nature



As well as climate-related physical and transition risks, we're also working to understand how our activities affect biodiversity and ecosystems, and how changes might affect our business. The Suntory Group has assessed its nature-related dependencies, impacts, risks and opportunities using the Taskforce on Nature-related Financial Disclosures ("TNFD") Locate Evaluate Assess Prepare ("LEAP") approach; see [Suntory Holdings' Integrated Disclosures](#) based on the Recommendations of the TNFD and TCFD for more information. We have also carried out initial biodiversity and nature impact assessments for the SBFE business in 2025, and we plan to build on and incorporate these insights into future iterations of our CTP.

Investing in water conservation and education

We've long worked with communities near our production sites around the world to manage vulnerable reserves of fresh water. In 2004, Suntory launched 'Mizuiku' (meaning 'water education') – the Suntory Mizuiku Education Program for Nature and Water – in Japan. The initiative helps younger generations to connect to where their water comes from and to understand the significance of the forests that nurture it. Already established in Japan, China, Indonesia, Thailand and Vietnam, the programme has now launched in Spain, the UK and most recently, France.

In France, we have a long-standing partnership that supports woodland preservation and restoration projects aimed at maintaining local biodiversity. A collaboration with the Lyon-based nature reserve Grand Parc Miribel Jonage, the initiative also provides local ecological education tools.

Our Guardians of the Tagus initiative in Spain aims to return more water to the environment than is used in our local production processes. The project supports nature-based solutions such as regenerative agriculture which seeks to improve the quality of the local Guajaraz reservoir, increase water availability and enhance ecosystems.

SPOTLIGHT



Building resilience to climate change



Physical risks



Transition risks



Opportunities

Building on our existing capabilities, we are strengthening our approach to managing climate-related risks and opportunities.

Where we are now

Climate risk capability building



- Climate risk assessment across selected sites and value-chain locations
- Climate scenario analysis across different time horizons
- Identification of priority physical and transition risks

Supply chain resilience enhancement



- Supplier engagement on resilience and sustainable sourcing practices
- Climate and emissions data collection from priority suppliers
- Collaboration with suppliers on supply chain decarbonisation and regenerative agriculture

Resource stewardship



- Water efficiency initiatives and reuse systems
- Sustainable water management
- Circular and lower-carbon packaging initiatives

Adaptation planning



- Climate risk assessments across manufacturing sites and selected value chain locations
- Identification of adaptation measures and response planning for priority climate hazards
- Business continuity planning

Regulatory alignment



- Environmental reporting and operational transparency
- Monitoring of evolving climate-related regulations and disclosure requirements
- Assessment of innovation opportunities supporting compliance and resilience

Where we're going

1. Strengthening our existing capabilities

- Resilience assessment for priority commodities and sourcing regions
- Water efficiency assessments and targeted improvement opportunities
- Regulatory monitoring and disclosure readiness
- More detailed climate risk assessments for priority sites and operations
- Deploy heatwave preparedness measures to protect employees and maintain operational continuity

2. Expanding action and partnerships

- Broader climate risk assessment across priority sourcing regions and value-chain locations
- Scale water reuse and efficiency measures
- Strengthen supplier partnerships for sustainable and regenerative agriculture
- Continued assessment and deployment of feasible low-carbon technologies and energy-efficiency measures
- Further develop adaptation and business continuity planning for priority locations

3. Transforming for long-term resilience

- Greater integration of climate-related risks into sourcing and operational decision-making
- Circular packaging models at scale
- Diversified sourcing networks and regional hubs
- Regenerative agriculture across key landscapes at scale
- Progress towards net zero operations and value chain

So that we can...

- Protect our business from climate-related disruption
- Drive value through innovation in circularity
- Give our stakeholders confidence in our alignment with regulation
- Keep Growing For Good

(Near term)

(To 2030)

(Beyond 2030)

Enablers

The foundations, resources and systems that keep us on track for our targets.



Engaging our stakeholders

Clear and regular communication with our suppliers, customers and the wider industry improves our knowledge and equips us to mitigate impacts and adapt to the changing climate.

Around 95% of SBFE’s GHG emissions are Scope 3, meaning they occur in our value chain but outside our direct operations, as illustrated in our emissions baseline graph on page 4. For example, this category includes emissions from suppliers, the transport of products to our customers, and the emissions generated in storage and for refrigeration at points of sale. Tackling these emissions requires consistent and meaningful engagement with our partners beyond SBFE.

We prioritise suppliers based on the size of their GHG emissions footprint, together with their projected business volumes and strategic importance to our business. We also focus on providers of key categories, including raw materials, packaging, logistics, co-packers and licensees. To drive improvements, we’re building GHG emissions reporting and reduction efforts into our procurement decisions. For suppliers that are smaller organisations with limited resources, we support their efforts through targeted support and capacity building.

We have engaged with suppliers covering more than 50% of our Scope 3 emissions in 2025. We work closely with our suppliers to gather their climate related data, helping us develop a clear picture of their emissions sources. Having mapped these impacts, we then prioritise areas for action. With targeted engagement and accurate information, we work in collaboration with suppliers to make better decisions for our businesses rather than imposing uniform requirements.

In addition to supplier engagement, we work with customers, logistics suppliers and the wider industry to address shared sources of emissions. These categories include product transport and energy use for refrigeration in the distribution and retail phases. Infrastructure availability, technology choices and operating practices that extend beyond a single organisation also make a difference to our emissions profile.

Reducing emissions across the food and beverage value chain requires collective action from many groups. We engage with industry associations and forums to exchange knowledge and skills. From regenerative farming techniques to more circular packaging, in a resource-constrained world, collaboration and innovation are vital. By working together, the food and beverage industry can continue to provide the iconic brands and products that consumers love.

SPOTLIGHT



Collaborating with Carrefour on packaging, transport and nutrition

In December 2025, Suntory Beverage & Food France signed a new agreement with Carrefour to meet a series of ambitious transport emissions, packaging reduction and nutrition-related objectives. Called the ‘Sustainability Linked Business Plan’, the non-financial agreement sets out a shared path for both companies by 2030 to develop more carbon-efficient transport modes. The transport roadmap targets reducing the GHG emissions of our activities in France together by 12% by 2030 (vs 2025). We expect to deliver these savings by implementing alternative transport solutions such as biomethane or electric vehicles.

The agreement also sets out ambitions in packaging to reduce the overall use of plastic, increase recycled content and limit packaging weight. Together with Carrefour, we’re launching a 2026 pilot project in ten stores in Brittany to offer consumers beverage cans without additional outer plastic packaging.

Consumers are able to assemble customised six-packs without shrink wrap, supporting reductions in plastic consumption and the associated greenhouse gas emissions.

As well as the environmental objectives, the partnership also expresses a joint plan on nutrition to keep pace with changing consumer preferences for less sugary drinks. The 2030 targets set by the agreement aim for 65% of sales volume of SBFF beverages containing less than 5gr of sugar per 100ml within the Carrefour group (vs 39% at the end of 2025).

Strategic partnerships like this help us deliver against our sustainability targets while helping to make our businesses more resilient. We are also looking at how we can develop such partnerships in other markets and, during 2026, are establishing a Sustainability Linked Business Plan with Carrefour in Spain.

Governance and financial planning, monitoring and reporting

Strong governance supports SBFE’s climate transition strategy. We manage climate-related risks and opportunities with clear accountability, structured oversight, robust analysis and regular disclosure.

Effective governance and reporting

The SBFE Sustainability Steering Committee oversees the leadership and coordination of this CTP. Chaired by the SBFE Director of Sustainability, the committee meets six times a year to review performance against targets and to guide strategic priorities, ensuring that sustainability decision-making is embedded into our business. Key updates, material risks and strategic recommendations are escalated to the SBFE Executive Leadership Team and the Suntory Beverage & Food Group Sustainability Committee, supporting alignment across the wider Suntory group. Regular performance, risk and transition updates reinforce executive oversight and accountability. Ultimate accountability for climate-related performance rests with the SBFE CEO.

Two key mechanisms support operational delivery of the CTP:

- **SBFE Climate Council**, led by the SBFE Climate Specialist and comprising representatives from R&D, procurement, supply chain and finance. The council develops and maintains our GHG emissions reduction roadmap and climate adaptation strategies, ensuring climate considerations are integrated across all business functions.
- **SBFE Programme Review Board (“PRB”)** meets every six weeks to monitor progress against annual sustainability and climate KPIs. The PRB reviews outputs from focus area taskforces and market sustainability reviews, and tracks emerging risks and opportunities. The PRB reports directly to the SBFE Sustainability Steering Committee.

In addition, the SBFE Executive Committee, including the SBFE CEO, has an objective within its annual review plan related to sustainability matters. Performance against stretching KPIs determines up to 20% of their annual bonus at the end of the financial year. More detail on our sustainability governance can be found in our Sustainability Strategy¹.

Evolving our reporting

We’ve embedded sustainability into decision-making and operations through a multi-tiered governance framework. This approach aligns with the Corporate Sustainability Reporting Directive (“CSRD”) and the European Sustainability Reporting Standards (“ESRS”). To increase transparency and support faster decision-making, we’ve introduced quarterly carbon footprint reporting, which we will continue to enhance in 2026 to enable more responsive, data-driven action across teams. We plan to publish updates to this CTP every three years and will include outcomes in the annual SBFE Sustainability Report.

Financial planning

We’ve developed indicative financial estimates for our decarbonisation actions up to 2030, focusing on operating expenditure (“OpEx”) where projects are sufficiently defined and supported by current roadmap or project-level data. In this CTP, we focus on operating expenditure OpEx as our capital expenditure (“CapEx”) estimates are not currently separately quantifiable. These estimates provide us with visibility of the anticipated costs associated with our transition to net zero and enable us to make long-term financial decisions and investments. Currently,

we don’t have a separate transition financing mechanism. Instead, we embed financial planning for the SBFE CTP into internal budgeting processes. Climate actions are integrated into the Mid-Term Plan (“MTP”) and annual budgeting, with financial ownership sitting in the relevant functions (e.g. Procurement, Operations, CapEx governance).

More broadly, there is a portion of expenditure associated with the transition that are part of our standard business investments, such as asset renewal, product reformulation and packaging redesign, which support our operational efficiency, compliance with regulation, improvements in product quality and the continuity of our business.

At this stage, SBFE does not disclose a consolidated financial estimate to 2050, as long-term projections remain subject to significant uncertainty, including future technology maturity, energy and material pricing, regulatory developments, and the pace of supplier, customer and broader market transformation. SBFE will continue to refine its financial assessment as methodologies evolve and as project scopes, supplier data and implementation plans mature.

1. SBFE Sustainability Strategy, available at: <https://suntorybeverageandfood-europe.com/media/4repqc0u/sbfe-sustainability-strategy.pdf>

Internal carbon pricing and data quality

We’ve integrated the strategic use of Internal Carbon Pricing (“ICP”) at SBFE. Introduced to Suntory Holdings in 2021 and SBFE in 2024, our ICP mechanism embeds climate considerations into our major investment decisions with a CapEx of more than €500,000 in budget and €250,000 if not in budget. This both supports our decarbonisation efforts and, in the context of future relevant regulatory and market developments, also enhances our resilience.

To enable more precise prioritisation and targeting of decarbonisation activity, we’re also working to improve the quality of our data, including increasing the use of primary data (such as supplier product-level carbon footprint).



Risk management

The SBFE Risk Management Committee oversees climate-related risks. Chaired by the SBFE Chief Governance, Risk, Compliance and Legal Officer, the Committee works in continuous coordination with the SBFE Sustainability Steering Committee and PRB. Climate risks, mitigation actions and KPI impacts are integrated into the corporate risk register, ensuring consistency between risk management, operational delivery and crisis management processes. Further information on how we manage our risks is available in SBFE’s Sustainability Strategy¹.

Anticipated investment for CTP implementation

Operations	Cost of Renewable Energy Guarantees of Origin Estimation = €0.7m for 2027-2030 (4 yr)
Product	Regenerative Agriculture = €3.1m for 2027-2030 (4 yr)
Packaging	€157.6m for 2027-2030 (4 yr)
Product Transportation	€24m for 2027-2030 (4 yr)
Suppliers, co-packers and licensees	Not quantified
Customer	Not quantified

1. SBFE Sustainability Strategy, available at: <https://suntorybeverageandfood-europe.com/media/4repqc0u/sbfe-sustainability-strategy.pdf>

Advocating for the right policies and regulations

We take our responsibilities as a corporate citizen seriously. We're working in close cooperation with policymakers to help strengthen the case for global climate action.

Our approach to policy and advocacy

Our support for the Paris Agreement is the foundation of our work on climate. The Paris Agreement is a legally binding international treaty designed to combat climate change by substantially reducing global greenhouse gas emissions. Ratified or accepted by 55 nations in 2016, the Agreement aims to limit the global average temperature increase to well below 2°C – with an ideal target of 1.5°C – above pre-industrial levels.

At SBFE, the team with responsibility for public affairs and public policy is our External Affairs team. Their objective is to support our growth ambitions and to advocate for a stable and predictable business operating environment.

We engage with elected representatives at every level, including national government, institutions and local government, as well as civil servants, regulators, trade associations and think tanks, and we do so in a way that is consistent with our values and that meets the expectations of civil society. We are also members of various trade associations to advance sector-wide decarbonisation solutions and harmonised standards.

Industry association memberships enable SBFE to work across key sustainability policy areas that support the transition to more sustainable infrastructure and enabling conditions. We also participate in relevant forums where we share experiences and best practices, and advocate for better policy and regulations.

Aligning to regulations

Our climate disclosures align with the CSRD, ESRS and the EU Taxonomy as well as region-level regulatory policies, including in Spain and the UK. We conduct climate scenario analysis, integrating financial impacts. We also apply double materiality principles to how we model our climate response. This examines the impacts of SBFE operations, products and value chain on the environment and communities. It also evaluates how sustainability-

related risks and opportunities affect the company's financial performance, cash flows and valuation over the short, medium and long term.

We conducted our first Double Materiality Assessment ("DMA") in 2024 and plan to carry out a second in 2026, identifying the impacts, risks and opportunities ("IROs") and associated ESRS topics. We scored these for both impact and financial materiality and validated the results with stakeholders and our leadership. To deepen our understanding of these issues and refine how we manage them, we regularly refresh and refine our DMA. This iterative approach is intended to strengthen transparency, comparability and stakeholder confidence while supporting effective climate governance and oversight.



Supporting a just transition

The transformation to a low-carbon economy must not leave people behind. We're developing an approach to a just transition for our employees, supply chain workers and the communities they support.

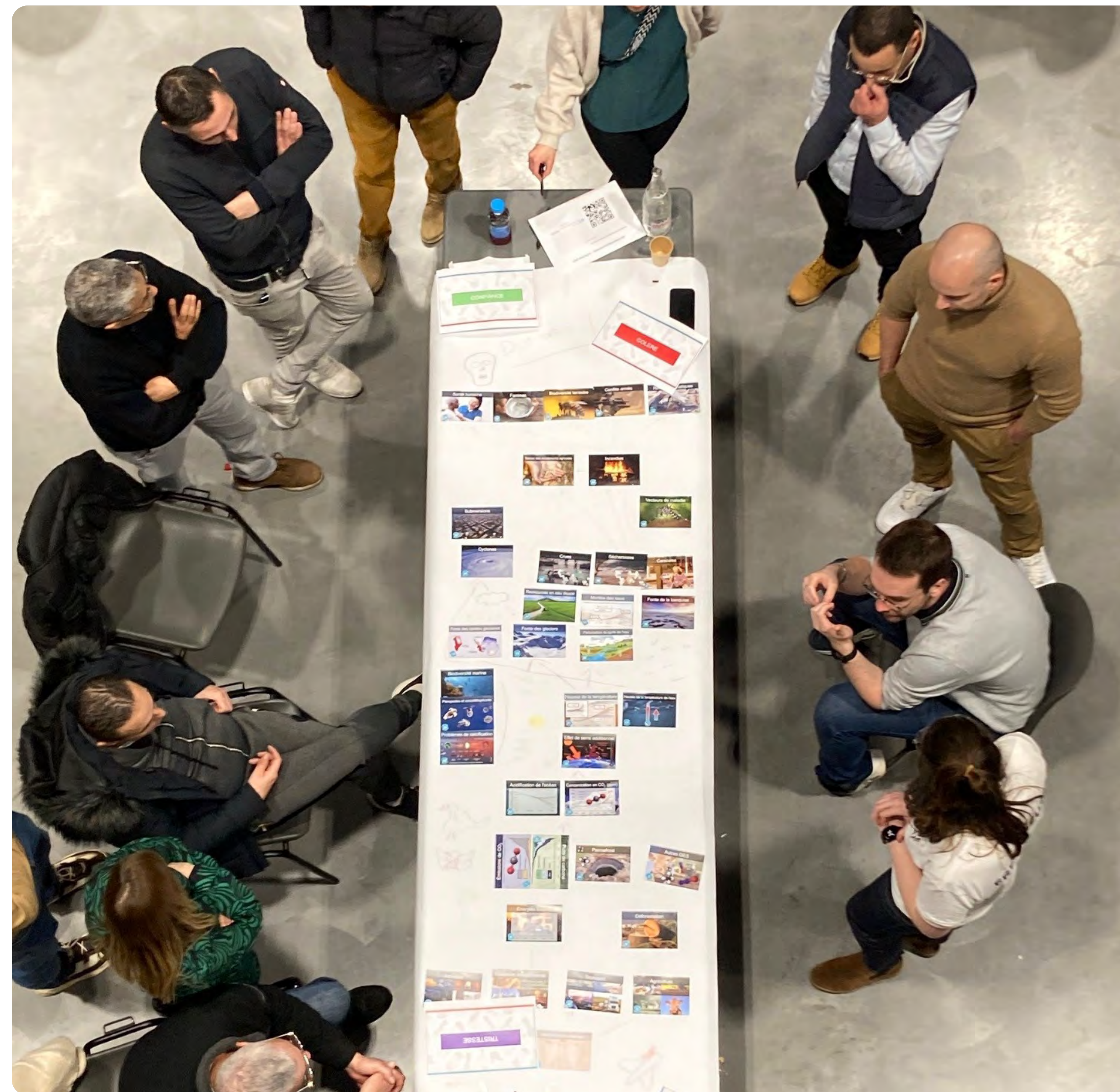
Meeting our climate ambitions will have long-term benefits for our business. The transformation will make SBFE more resilient and help to reduce the costs and uncertainty associated with carbon-intensive energy and resources. There are, however, risks to people in our value chain as we embrace new processes and supply chains.

A just transition has benefits for people and for our business. It helps to create a stable, skilled workforce and resilient communities to reduce operational and supply chain risk, and to future-proof our operations.

We apply our developing just transition framework to this CTP, which seeks climate action that is fair, inclusive and socially responsible. The framework focuses on:

- **Workforce Empowerment:** Upskilling and reskilling programmes, Human Resources policy reviews, and wellbeing initiatives to support job security as the business transitions.
- **Community Resilience:** Investing in local employment and infrastructure. We also support climate adaptation measures, including water reuse and efficiency systems.
- **Inclusive Innovation:** Co-developing sustainable packaging and circular economy solutions that create opportunities for small businesses and local suppliers.

We have strong policies in place that support human rights across our own workers and those in our supply chain. We're now reviewing how we can strengthen our internal policies. This builds on our partnership with SMETA ("SEDEX ("Supplier Ethical Data Exchange") Members Ethical Trade Audit") to audit our own sites to better understand risk and impacts on our workers.





Appendix

Supporting detail including methodology, glossary and scope and coverage of this CTP.



Methodology and data

Our emissions baseline

We have obtained limited assurance for Scope 1 and 2, and relevant Scope 3 emissions (categories 1, 12 and 13). Our emissions breakdown can be found in the table opposite. We measure and report in line with the Greenhouse Gas Protocol using the operational control approach.

Greenhouse Gas Emissions inventory	2019 (tCO ₂ e) baseline	2023 (tCO ₂ e)	2024 (tCO ₂ e)	2025 (tCO ₂ e)
Scope 1	53,382	53,878	49,949	49,297
Scope 2 market-based	9,998	13	36	69
Scope 2 location-based	12,591	8,809	8,518	8,449
Scope 3	1,227,392	1,016,378	1,005,071	990,341
Total Emissions Scope 1 + 2 (market-based) + 3	1,290,772	1,115,269	1,055,056	1,039,707
Scope 3 Energy & Industry (E&I) categories				
Category 1 – Purchased goods and services (E&I only)	724,417	611,197	586,045	569,281
Category 2 – Capital goods	22,253	17,435	17,542	22,708
Category 3 – Fuel and energy-related activities (not included in Scope 1 or 2)	11,662	12,936	12,068	12,027
Category 4 – Upstream transportation and distribution	165,762	154,670	152,557	136,980
Category 5 – Waste generated in operations	1,478	820	768	593
Category 6 – Business travel	1,397	1,838	1,806	2,004
Category 7 – Employee commuting	14,450	10,191	10,039	10,387
Category 8 – Upstream leased assets	–	–	–	–
Category 9 – Downstream transportation and distribution	103,239	84,361	81,814	84,020
Category 11 – Use of sold products	16,688	16,277	13,357	14,515
Category 12 – End-of-life treatment of sold products	102,185	90,755	65,951	68,273
Category 14 – Franchises	15,062	15,844	18,082	21,125
Subtotal Scope 3 E&I	1,178,593	1,016,325	960,029	941,914
GHG Protocol Scope 3 FLAG category 1 – Purchased goods and services				
Land Management (LM)	38,446	34,918	33,637	37,434
Land Use Change (LUC)	10,353	10,136	11,405	10,994
Subtotal Scope 3 FLAG	48,799	45,053	45,042	48,428

Climate scenario analysis

Our approach

Our analysis was completed in line with the UK Climate-related Financial Disclosures (“CFD”) requirements, and supports our preparations towards the UK Sustainability Reporting Standards (“UK SRS”). We applied short-, medium- and long-term time horizons of 2030, 2040 and 2050 respectively, as these correspond to our key decarbonisation targets and milestones.

We scored and prioritised our physical and transition risks and opportunities through our DMA, using influence weightings from our final DMA value scores to indicate the respective potential financial significance on our business. In addition, our analysis applied a range of climate scenarios, these are captured in the table to the right.

Qualitative scenario analysis

Our qualitative scenario analysis assessed nine physical climate hazards: heat waves, heat stress, changing temperatures, heavy precipitation, flooding, water stress, drought, wildfires, and extreme winds and storms.

We scored each site and risk out of 25 across impact and likelihood to identify the most material risks, when they’d be likely to occur, and their potential financial implication on our upstream, operations and downstream value chains. We also considered their impact on the four pillars of our Sustainability

Strategy (Our Resources, Our Drinks, Ourselves and Partners, and Our Society).

We also qualitatively identified and assessed our transition risks and opportunities through the application of our climate scenarios and applying weightings related to financial significance through our DMA. Each risk and opportunity was scored from -1 (significant risk) to +1 (significant opportunity), letting us prioritise where to focus action to build resilience.

Quantifying potential financial impacts

After qualitative identification and assessing our climate risks and opportunities, we analysed the potential financial impact of the most material.

Quantifying the potential financial impact of heatwaves and water stress (our physical risks) involved comparing the costs of lost production against the cost of mitigating measures such as heating, ventilation and air conditioning (“HVAC”) upgrades or water reuse measures. For quantifying the impact of regulatory pressure, we compared our emissions trajectory against national decarbonisation rates. For the opportunities surrounding circular economy solutions in packaging, our financial modelling focused on our shift to recycled plastic, showing how the cost of recycled content falls as adoption increases.

Climate scenario selection

Physical risks and opportunities (Qualitative and Quantitative)

Intergovernmental Panel on Climate Change (“IPCC”) scenarios combining SSP and RCP considerations:

- Lower emissions scenario: SSP1-2.6 – representing well below 2°C of warming
- Higher emissions scenario: SSP5-8.5 – representing 4°C of warming

Transition risks and opportunities (Qualitative)

International Energy Agency (“IEA”), Network for Greening the Financial System (“NGFS”) and EU Plastic System scenarios:

- Base case: STEPS (IEA), Current Policies (NGFS), Current Actions (EU Plastic System)
- Low-carbon: Net Zero Emissions Scenario (IEA), Net Zero 2050 (NGFS), Net Zero System Change (EU Plastic System)

Transition risks (Quantification)

International Energy Agency (“IEA”) scenarios:

- Net Zero: Net Zero Scenario – representing 1.5°C
- Central case: Stated Policies Scenario (“STEPS”) – representing 2.5°C
- Business as usual (“BAU”): Announced Pledges Scenarios – representing 3°C

Transition opportunities (Quantification)

Scenarios aligned with EU policies and SBFEs Sustainable Packaging Workstreams

- Net Zero: Net Zero System Change Scenario outlined in the EU Plastic System report, assuming 78% recycled plastic content is achieved by 2030 and 100% by 2050
- Central case: Compliance with the European Commission’s Packaging and Packaging Waste Regulation¹ (“PPWR”) which sets binding targets for recycled content in single-use beverage bottles (PET) of 30% by 2030 and 65% by 2040
- Business as usual (“BAU”): EU Plastic System’s ‘Current Actions Scenario’

1. Packaging and Packaging Waste Regulation (EU) 2025/40.

Glossary

B100: 100% unblended biodiesel made from cooking oil, animal fats and plant oils.

BAU, Business As Usual: The comparison case in which nothing changes. Current trends, policies and behaviours simply carry on, with no further action taken.

BIOGENIC CO₂: Carbon dioxide released from organic matter, such as plants, trees and organic waste, and considered to be carbon-neutral as absorbed from the atmosphere during photosynthesis.

Bio-LNG: Liquefied biomethane, a low-carbon liquid fuel produced by purifying and cooling biogas derived from organic waste.

CapEx, Capital Expenditure: Investment in assets such as our equipment and vehicles.

CEO, Chief Executive Officer: The most senior executive in the business, accountable for how we perform and for the decisions we take.

CFD, Climate-related Financial Disclosures: UK Companies' Act requirement for in-scope companies, which mandates reporting on how climate-related risks and opportunities may affect the business, and how the business will manage them through governance and risk management mechanisms and monitor through metrics and targets.

CSRD, Corporate Sustainability Reporting Directive: The EU Directive that requires in-scope companies to identify and assess their material impacts, risks and opportunities across a range of environmental, social and governance topics, and publicly disclose on performance and management of material topics.

CTP, Climate Transition Plan: Our plan for how we build resilience to climate change, decarbonise our business in line with our net zero ambitions, and how we contribute to a low carbon transition.

DMA, Double Materiality Assessment: The process for analysing which sustainability topics are most important to the business from a financial materiality, the risks and opportunities that sustainability issues create for our business, and impact materiality perspective, the impact our business has on people and the planet.

ESG, Environmental, Social and Governance: The broad grouping of non-financial topics that investors, customers and regulators use to assess how responsibly a business is run.

ESRS, European Sustainability Reporting Standards: The detailed standards which defines how companies must disclose ESG information under CSRD. They cover environmental, social and governance topics, and set out what has to be disclosed and how.

EV, Electric Vehicle: A vehicle running on an electric motor powered by a rechargeable battery rather than fossil fuels.

FLAG, Forest, Land and Agriculture: Greenhouse gas emissions generated via land-based activities, land use changes (including deforestation) and agricultural production (e.g. from livestock and fertiliser use).

GHG, Greenhouse Gas(es): The gases that warm the atmosphere, including carbon dioxide, methane, nitrous oxide and fluorinated gases. SBFE reports them together as carbon dioxide equivalent, or CO₂e, so that everything can be measured on one scale.

HVAC, Heating, Ventilation and Air Conditioning: The heating, cooling and ventilation systems in our buildings.

HVO, Hydrotreated Vegetable Oil: A synthetic diesel made from raw materials including cooking oil, animal fats and plant oils.

ICP, Internal Carbon Pricing: A real or shadow price on every tonne of emissions in our own decision-making, so that carbon is weighed alongside cost when we choose between options.

IEA, International Energy Agency: The international energy body whose World Energy Outlook defines the energy transition scenarios we used as part of our climate scenario analysis to test how policy, technology and energy costs could affect our business.

IFRS S1 and S2, International Financial Reporting Standards S1 and S2: A set of investor-focussed disclosure standards issued by the International Sustainability Standards Board (ISSB) focussed on investor which encourages businesses to identify and assess their climate risks and opportunities may affect the business, and how the business will manage them through governance and risk management mechanisms and monitor through metrics and targets.

IPCC, Intergovernmental Panel on Climate Change: The United Nations body that reviews the world's climate science and publishes periodic assessment reports including climate scenarios. IPCC scenarios were also used in our climate scenario analysis.

JUST TRANSITION: Enabling the shift to a sustainable, low-carbon economy that is fair and inclusive.

KPI, Key Performance Indicator: The measure we use to track whether we are on course. For example, emissions progress against targets, or recycled content in our packaging.

LOWER-CARBON: 'Carbon' refers to carbon dioxide and equivalent greenhouse gases, such as methane, as well as carbon dioxide itself. See also GHG, above, for how we express this as CO₂e.

NGFS, Network for Greening the Financial System: A group of central banks and financial regulators that publishes standard climate scenarios. NGFS scenarios were also used in our climate scenario analysis.

OpEx, Operational Expenditure: The day-to-day cost of running the business: energy, materials, maintenance and people.

OSH, Orangina Schweppes Holding B.V.: A holding company registered in the Netherlands within our European group structure.

PE, Polyethylene: A widely used plastic, found in our films, shrink wrap and closures.

PET, Polyethylene Terephthalate: The plastic used in bottles. When made from recycled material we call it rPET.

PG&S, Purchased Goods & Services: Everything we buy in from external suppliers, from ingredients to packaging.

PRB, Programme Review Board: Our forum for reviewing progress and taking decisions on a programme of work.

RCP, Representative Concentration Pathway: A set of scenarios modelled by the IPCC based on greenhouse gas concentrations, named after the warming effect they reach by 2100.

SBFE, Suntory Beverage & Food Europe: The European beverage and food business of the Suntory Group, home to brands including Ribena, Lucozade, Orangina and Schweppes.

SBTi, Science Based Targets initiative: The organisation that sets the standards for corporate climate targets and checks that they are consistent with the Paris Agreement. It is the reference point for how ambitious our reduction targets need to be.

SCOPES 1, 2 & 3: Standardised categories to classify a company's carbon footprint. Scope 1 – direct emissions produced by the company, including company cars, factories etc. Scope 2 – indirect emissions generated at the facility where the company procures energy from. Scope 3 – indirect emissions outside of the company's control in the value chain, e.g. production of materials and use of products and end-of-life.

SEDEX, Supplier Ethical Data Exchange: The platform we and our suppliers use to share and manage responsible sourcing information, including SMETA audit results.

SMETA, Sedex Members Ethical Trade Audit: The audit method used to check working conditions at supplier sites, covering labour standards, health and safety, environment and business ethics.

SSP, Shared Socioeconomic Pathway: A set of scenarios created by the IPCC, describing how the world might develop socially and economically under more orderly or disorderly transition futures, from SSP1 to SSP5. They are usually paired with a compatible RCP warming level, for example SSP1-2.6.

UK SRS, UK Sustainability Reporting Standards: The UK government's endorsed versions of the IFRS S1 and S2 which encourages businesses to identify and assess their climate risks and opportunities may affect the business, and how the business will manage them through governance and risk management mechanisms and monitor through metrics and targets.

SUNTORY

BEVERAGE & FOOD EUROPE

The scope of this report

Suntory Beverage & Food Europe ("SBFE") is a part of Suntory Beverage & Food, a member of Suntory group, and, for the purposes of this Climate Transition Plan, includes:

- Lucozade Ribena Suntory Ltd ("LRS");
- Orangina Schweppes Holding B.V. ("OSH"); and
- all of their subsidiaries, including all business units operating across Europe.

This Climate Transition Plan covers the full SBFE business and climate targets. This is broader than the scope of mandatory reporting under the Corporate Sustainability Reporting Directive ("CSRD"), which applies only to OSH at this time. Where data or targets in this document relate specifically to OSH's CSRD disclosures, this is noted accordingly; all other content reflects SBFE-wide ambition and coverage.

Disclaimer

This Climate Transition Plan includes forward looking statements that involve uncertainties, assumptions and dependencies. Forward looking statements encompass all non-historical information, including plans, climate-related targets and objectives. Actual outcomes may differ from those suggested by these statements. Although this report was produced with appropriate information at the time, the business cannot guarantee any outcomes and users are advised to not rely excessively on these statements.

