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Alliance for Water Stewardship Surveillance Audit Report

as per AWS Standard Version 2.0

For

Suntory Products Limited Okudaisen Bunanomori Water Plant

1177 Kasarabara Aza, Mitsukue, Oaza, Kofu-cho Hino-gun, Tottori 689-4424 Japan

Prepared by: TÜV Rheinland
Cert. Number: AWS-000156
Version: 2.0
Date: 20th October 2020

System
CSS-Corporate Sustainability Service

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Contents

1. Client and Certification Details

Client Name:	Suntory Products Limited Okudaisen Bunanomori Water Plant
Audit location:	1177 Kasarabara Aza, Mitsukue, Oaza, Kofu-cho Hino-gun, Tottori 689-4424
Country:	Japan
Activities/Processes:	Water, flavour drink manufacturing
Contact person:	Hiroshi_Yuzawa
Contact email:	Hiroshi_Yuzawa@suntory.co.jp
Company website:	https://www.suntory.com/
AWS Reference Number:	AWS-000156
Type of audit:	Surveillance audit by 100% remote using ICT tool
Audit date(s):	12th October 2020
Audit Standard:	V2.0 Core
Proposed date of next audit:	12th October 2021
Audit report completed by:	Ian Jiang
Contact email:	Ian.Jiang@tuv.com

2. Executive Summary

The scope of service covers the conformity assessment of water management and usage for Suntory Products Limited Okudaisen Bunanomori Water Plant. The assessment was completed in compliance with the AWS Standard Version 2.0 dated on Mar 2019.

The Suntory Products Limited Okudaisen Bunanomori Water Plant is a beverage manufacturer, producing a variety of mineral water and flavor drink under the brand of Suntory. The whole facility occupied about 290,000 square meters, and has about 90 employees. The annual production capacity is about 200,000 m3. It located at the
1177 Kasarabara Aza, Mitsukue, Oaza, Kofu-cho Hino-gun, Tottori 689-4424. The main production process is water extraction-filtration-bottling-packing-shipping. Around the site are some small residence and farm, other is mountain. The site only uses groundwater for production and domestic. The wastewater treated in the wastewater treatment plant, and then emitted to the local river.

Findings summary:

- Total: 6
- Major non-conformities 0
  Minor non-conformities 6
- Observation 0

Client's response:
The plant responded the non-conformities with root cause analysis, corrective action, responsible person and timeline. After the review, all the non-conformities were addressed.

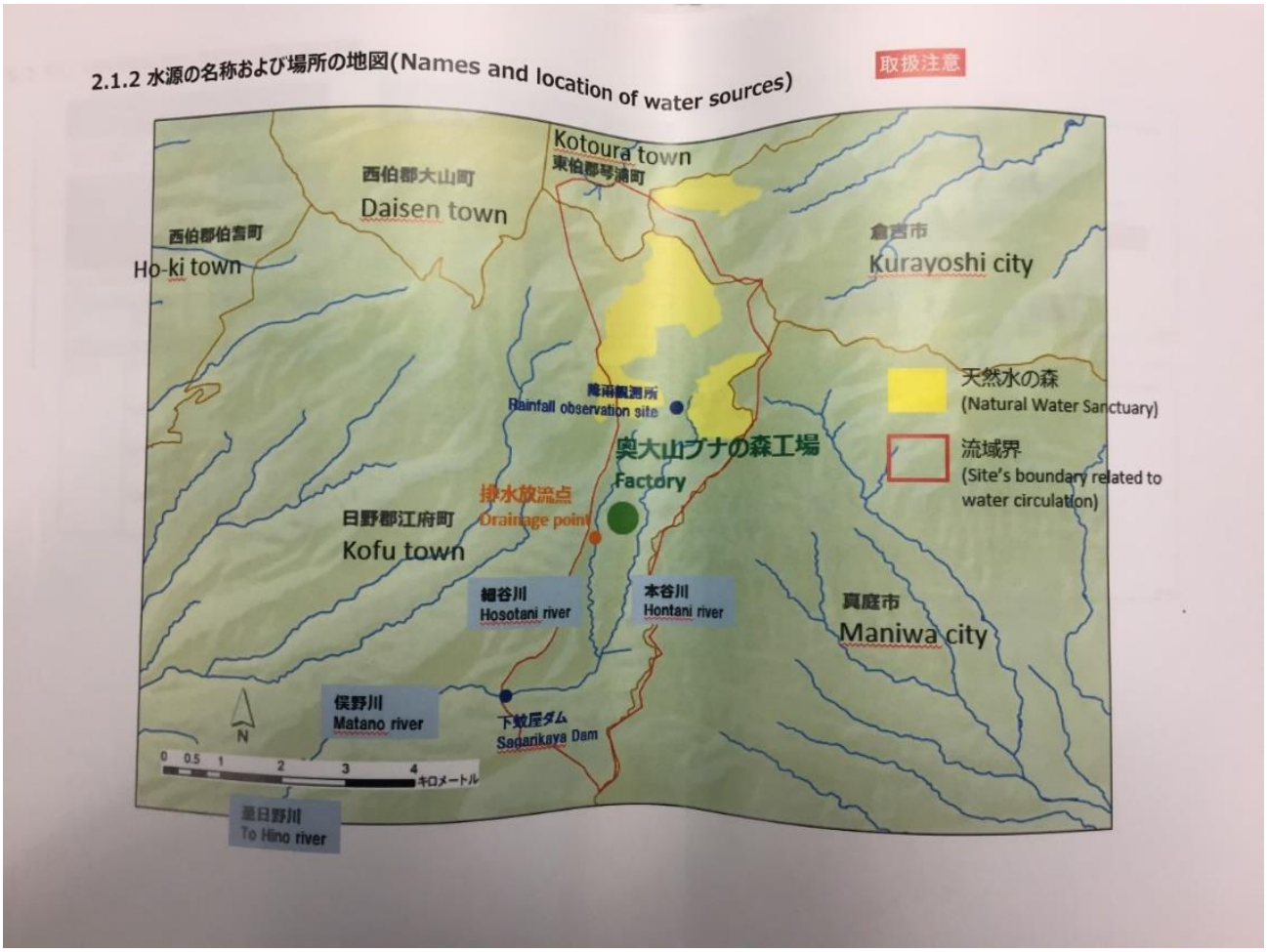
Certification level: Core
After thorough evaluation of the non-conformance and observations, in compliance with the AWS Certification Requirement V2.0 TÜV Rheinland auditor team would recommend to reward the Suntory Products Limited Okudaisen Bunanomori Water Plant AWS Core Certified status. Surveillance audit should be conducted on an annual basis.

3. Scope of Assessment

Client factories main products	Mineral water, flavour drink
Client factories production processes	water extraction-filtration-bottling-packing-shipping
Assessment preparations activities include:	water extraction-filtration-bottling-packing-shipping
Assessment on-site activities includes:	Document review, management interview, employee interview, onsite tour by video recorded
Assessment follow-up activities includes (in any):	Non-conformity follow up

4. Description of the Catchment

The plant is located at the Okudaisen Mountain Kofu Town, Tottori Prefecture. The total occupied area is about 2,000hectares, defined by the upstream area that contribute to the location of the site, and the downstream area influenced by the site. The factory only use the groundwater, which is formed by the rainfall of the mountain. There is no upstream water user. Surround the factory there is some farmland of the berry planting, also some small residence with about 30 people are located in the downstream. About 5km of the downstream, there is a dam named sagarikaya dam, forming a water reservoir mainly use for irrigation.



Note: The area among the red line is the water catchment, the green dot is the location of the factory, and the orange dot is the discharge point.

5. Summary of the Stakeholder Interview

During the audit, auditor conducted the remote interview with four stakeholders by phone call.

The details are listed in the follow sheet.

Stakeholder name	Stakeholder type	Summary
Ms. Nishida	Local Resident, and Suntory's affiliated company	AWS activity: knows effort to reduce water use on production line and cleaning process. Comments: knows it's only Suntory in Japan who has been awarded AWS certificate. The site creates good relationship with local people through events like "Omatsuri festival" in every Aug and "Handmade noodle festival" as a year event. The site also implements plantation activity on site for CO2 reduction. Expectation: The site keeps in good water balance in catchment and also keeps on providing training on water conservation for fresh man who would join Suntory Okudaisen next.
Mr. Shinoda	Supplier	AWS activity: knows the site was awarded AWS certificate and all discharge water is clean for environment. Comments: knows the site makes effort to prevent environmental incident like oil leakage from transportation fleet that they operates. The site shares knowledge about preventive measure on oil leakage when it's likely to go to drainage. Expectation: The site keeps in good water quality to discharge for environment.
Ms.Tsutsui	Employee	Comments: knows the site makes effort to preserve forest for water sustainability. Notices that Natural water forest "Tennen-sui-no mori" has been changed to better status where sun light gets into broader area within forest. Feels a threat for air pollution when fleets are increased for product transportation and staff commutation. Expectation: Since local name "Okudaisen" has been more known to public by Suntory public relation service, it'll get more involved cultural and commercial aspect to vitalize local industry. Nevertheless, establishing faithful relationship with

		all stakeholders throughout AWS activities is an ideal.
Ms. Kiyokawa	Employee	Comments: knows the site makes effort on water and energy savings. The site posts invitation on plant tour for public in order to have them known their activity. Stakeholders may have good image on Suntory brand and products. Expectation: Since people is able to see on-site activity including water and energy savings by chart data, it's more effective if those activity is seen by visual method.

6. Summary of Shared Water Challenges

Water-related challenges	Initiatives by related public institutions	Relevance to stakeholders	Relevance to site	Priority	Reason for prioritization
depletion of groundwater resource	1.Limitation of pumping amount through agreement 2.Monitoring through the Kasara~~h~~bara Environmental Monitoring Committee	Domestic water is important as agricultural water	It is an indispensable resource for product production.	1	Sustainable use of groundwater resources is in the interests of the factory and all its stakeholders.
The contamination of the Hosotani river	1.Water quality regulation of wastewater through laws and agreements (pH, BOD, SS, coliform bacteria) 2.Monitoring through the Kasara~~h~~bara Environmental Monitoring Committee	Agricultural water is important.	There is a possibility that operations will not be possible due to administrative sanctions when wastewater exceeds the regulation value.	2	The factory carries out advanced wastewater treatment (wastewater treatment system), and also handles vehicle oil leaks for rainwater (rainwater system), which may pollute the Hoso~~ya~~tani River.

7. Indicators Checklists

Per requirements set from the AWS certification requirements V2.0, below is a checklist of all the CORE AWS indicators. The documents reviewed/ processes reviewed are also indicated.

Criteria	Documents Reviewed
STEP 1: Gather and Understand	
1.1 Define the physical scope: 1.1.1 Map site boundaries; 1.1.2 Water-related infrastructure, including piping network, owned or managed by the site or its parent organization 1.1.3 Any water sources providing water to the site that are owned or managed by the site or its parent organization 1.1.4 Water service provider (if applicable) and its ultimate water source 1.1.5 Discharge points and waste water service provider (if applicable) and ultimate receiving water body or bodies 1.1.6 Catchment(s) that the site affect(s) and is reliant upon for water	☒ Documentation or map of the site's boundaries ☒ Names and location of water sources ☒ Names and location of effluent discharge points ☐ Other : The map of water supply and effluent discharge point were available. Names and location of water sources and effluent discharge points were defined, and the geographical description is clear. Evidences: Layout of the plant and catchment.
1.2 Understand relevant stakeholders: 1.2.1 Stakeholders and their water-related challenges shall be identified. The process used for stakeholder identification shall be identified 1.2.2 Current and potential degree of influence between site and stakeholder shall be identified	☒ List of stakeholders ☒ Water-related challenges ☒ Current and potential degree of influence ☐ Other : List of stakeholders was defined, and their influence and interest were evaluated as well. One minor non-conformity was raised. 1.2.1 The plant conducted the stakeholder identification/engagement, not they did not establish a written procedure of the process of stakeholder identification/engagement. Evidences: Analysis sheet of stakeholders.

Criteria	Documents Reviewed
1.3 Gather water-related data for the site: 1.3.1 Existing water-related incident response plans 1.3.2 Site water balance, including inflows, losses, storage, and outflows 1.3.3 Site water balance, inflows, losses, storage, and outflows, including indication of annual variance in water usage rates. An indication of annual high and low variances shall be quantified for risky water-related challenge 1.3.4 Water quality of the site's water source(s), provided waters, effluent and receiving water bodies. An indication of annual, and where appropriate, seasonal, high and low variances shall be quantified for risky water-related challenge 1.3.5 Potential sources of pollution, including chemicals used or stored on site 1.3.6 Mapping on-site Important Water-Related Areas, including a description of their status including Indigenous cultural values 1.3.7 Annual water-related costs, revenues, and a description or quantification of the social, cultural, environmental, or economic water-related value 1.3.8 Levels of access and adequacy of WASH at the site	☒ Water-related incident response plans ☒ Site water balance (in Mm^3 or m^3) ☒ Water quality of the site's water source(s), provided waters, effluent and receiving water bodies, such as water test reports ☐ Other : Water stewardship and incident response plans was issued. Annual basis site water balance (in Mm^3 or m^3) is defined. ~~p~~Physical, chemical and biological status of the site's direct and outsourced water effluent were defined as pH,BOD,COD,SS,TP, TN etc. Evidences: Emergency response plan for different scenario. Site water balance and water quality testing report.
1.4 Gather data on the site's indirect water use: 1.4.1 The embedded water use of primary inputs, including quantity, quality and level of water risk within the site's catchment 1.4.2 The embedded water use of outsourced services shall be identified, and where those services originate within the site's catchment, quantified	☒ List of primary inputs ☒ List of outsourced services ☐ Other : List of primary inputs was updated as per investigation results List of outsourced services was available by investigating supply chain water use. Evidences: List of suppliers and their indirect water consumption.

Criteria	Documents Reviewed
1.5 Gather water-related data for the catchment: 1.5.1 Water governance initiatives shall be identified, including catchment plan(s), water-related public policies, major publicly-led initiatives under way, and relevant goals to help inform site of possible opportunities for water stewardship collective action 1.5.2 Applicable water-related legal and regulatory requirements shall be identified, including legally-defined and/or stakeholder-verified customary water rights 1.5.3 The catchment water-balance, and where applicable, scarcity, shall be quantified, including indication of annual, and where appropriate, seasonal, variance 1.5.4 Water quality, including physical, chemical, and biological status, of the catchment shall be identified, and where possible, quantified 1.5.5 Important Water-Related Areas shall be identified, and where appropriate, mapped, and their status assessed including any threats to people or the natural environment, using scientific information and through stakeholder engagement 1.5.6 Existing and planned water-related infrastructure shall be identified, including condition and potential exposure to extreme events 1.5.7 The adequacy of available WASH services within the catchment	☒ Water governance initiatives ☒ Applicable water-related legal and regulatory requirements ☒ Catchment water balance (in Mm^3 or m^3) ☒ Documentation identifying Important Water-Related Areas (IWRA) ☐Other : The catchment plan and relevant goals have been collected. Applicable water-related legal and regulatory requirements was gathered and assessed once per year. Documentation identifying Important Water-Related Areas are Okudaisen Natural water sanctuary. Water discharge agreement with the government, pH 5.8~8.6, BOD 20mg/L, SS 40mg/L One minor non-conformity was raised. 1.5.7 The WASH services within the catchment is not sufficiently collected. Evidences: Catchment report.
1.6 Understand current and future shared water challenges in the catchment: 1.6.1 Shared water challenges shall be identified and prioritized from the information gathered 1.6.2 Initiatives to address shared water challenges	☒ List of shared water challenges ☐ Other : Water-related challenges were that the Water pollution and water resource scarcity, which maybe affect the production and reputation lost. Evidences: List of shared water challenges.

Criteria	Documents Reviewed
1.7 Understand the site's water risks and opportunities: 1.7.1 Water risks faced by the site shall be identified, and prioritized, including likelihood and severity of impact within a given timeframe, potential costs and business impact 1.7.2 Water-related opportunities shall be identified, including how the site may participate, assessment and prioritization of potential savings, and business opportunities	☒ List of water risks facing the site ☒ List of water-related opportunities ☐ Other : List of water risks facing the site were defined. List of water-related opportunities were defined and prioritized. Estimate of potential savings/value was calculated issued on regular program cycle. Evidences: List of water risks and opportunities.
1.8 Understand best practice towards achieving AWS outcomes: 1.8.1 Relevant catchment best practice for water governance 1.8.2 Relevant sector and/or catchment best practice for water balance (either through water efficiency or less total water use) 1.8.3 Relevant sector and/or catchment best practice for water quality, including rationale for data source 1.8.4 Relevant catchment best practice for site maintenance of Important Water-Related Areas 1.8.5 Relevant sector and/or catchment best practice for site provision of equitable and adequate WASH services	☒ Relevant catchment best practices ☐ Other : Suntory has identified relevant catchment best practice for water balance, water quality, IWRA and WASH. One minor non-conformity was raised. 1.8.1 The best practices of water governance is incomplete. Evidences: Best practices summary.
STEP 2: Commit	
2.1 Commit to water stewardship: 2.1.1 A signed and publicly disclosed site statement OR organizational document	☒ Statement ☐ Other : Site statement "Commitment on AWS "signed by Mr.Tominaga plant manager dated Apr 1st, 2020 was put on reception hall at plant. Statement addressed five (5) water stewardship outcomes to be realized by seeking effort through cooperating public agencies and the best effort the site makes even with all stakeholders in transparency. Evidences: Commitment to water stewardship

Criteria	Documents Reviewed
2.2 Develop and document a process to achieve and maintain legal and regulatory compliance: 2.2.1 The system to maintain compliance obligations for water and wastewater management shall be identified	☒Documented description of system ☐Other : One minor non-conformity was raised. System is not maintained adequately for compliance case. Ref : Application on waste water discharge tower instalment had to be declared to prefecture 60 days before it starts.(Water quality pollution prevention act) Ref: No procedure to report authority on water quality incident(Water quality pollution prevention act) Evidences: Environmental Regulations Registration Book and monitoring table
2.3 Create a water stewardship strategy and plan: 2.3.1 A water stewardship strategy shall be identified that defines the overarching mission, vision, and goals of the organization towards good water stewardship in line with this AWS Standard 2.3.2 A water stewardship plan shall be identified	☒ Water stewardship strategy ☒ Water stewardship Plan ☐ Other : Plan addressed target as a) water conservation for future, b) bio diversity promotion. KPI is relevant to setting 7 locations in approx. 495ha for "Tennen-sui-no-mori(natural water forest). It breaks in two as a) making water conservation function quantitative by GETFLOW, b) qualitative state on bio diversity. The strategy did not clearly address AWS outcome. One minor non-conformity was raised. Evidences: Water Stewardship strategy and plan.
2.4 Demonstrate the site's responsiveness and resilience to respond to water risks: 2.4.1 A plan to mitigate or adapt to identified water risks developed in co-ordination with relevant public-sector and infrastructure agencies	☒ Water risk mitigation plan ☐ Other : Identified water risk was 1.water quality incident, 2.water depletion. Site and catchment water quality and depletion issue is monitored and reported at Kasarabara monitoring committee regularly. Evidences: Responsiveness Plan
STEP 3: Implement	

Criteria	Documents Reviewed
3.1 Implement plan to participate positively in catchment governance: 3.1.1 Evidence that the site has supported good catchment governance 3.1.2 Measures identified to respect the water rights of others including Indigenous peoples, that are not part of 3.1	☒ Good catchment governance evidence ☒ Identified measures ☐ Other : The site has participated the management meeting held by local authority, to report the status-quo of the groundwater. Evidences: Meeting schedule and attendant list.
3.2 Implement system to comply with water-related legal and regulatory requirements: 3.2.1 A process to verify full legal and regulatory compliance 3.2.2 Where water rights are part of legal and regulatory requirements, measures identified to respect the water rights of others including Indigenous peoples	☒ Legal and regulatory compliance verification process ☒ Identified measures (if applicable) ☐ Other : The applicable laws and regulations were collected. Based on research, no violation happened since last three years. Evidences: Environmental Regulations Registration Book and monitoring table
3.3 Implement plan to achieve site water balance targets: 3.3.1 Status of progress towards meeting water balance targets set in the water stewardship plan 3.3.2 Where water scarcity is a shared water challenge, annual targets to improve the site's water use efficiency, or if practical and applicable, reduce volumetric total use shall be implemented 3.3.3 Legally-binding documentation, if applicable, for the re-allocation of water to social, cultural or environmental needs	☒ Status of progress ☒ Water use efficiency annual target (if applicable) ☐ Legally-binding documentation (if applicable) ☐ Other : The site has implemented some water saving actions to improve the water balance, including condensation water recycle, cooling water saving and multiple use of the water etc. Based on the document check, the water consumption per ton product of 2019 increased about 1% compared with 2018. The reason is the decrease of production volume. Evidences: Water consumption.

Criteria	Documents Reviewed
3.4 Maintain or improve site water quality: 3.4.1 Status of progress towards meeting water quality targets set in the water stewardship plan 3.4.2 Where water quality is a shared water challenge, continual improvement to achieve best practice for the site's effluent shall be identified and where applicable, quantified	☒ Status of progress ☒ Site's effluent best practice (if applicable) ☐ Other : The site has implemented below measure to monitor the water quality: online testing system, manual testing, and third party testing. Based on the document, the effluent quality is in compliance with the legal requirements. Based on the search on the local water bureau, the water quality of the catchment is maintain. Evidences: Water testing report.
3.5 Implement plan to maintain or improve the site's and/or catchments IWRAs: 3.5.1 Practices set in the water stewardship plan to maintain and/or enhance the site's IWRAs shall be implemented	☒ Practices set in the water stewardship plan ☐ Other : The site conducted the investigation of the groundwater forming mechanism, and developed the forest conservation plan in the Okudaisen area. To protect the mountain and the groundwater resource as well. Evidences: Forest conservation project summary.
3.6 Implement plan to provide access to WASH: 3.6.1 Evidence of the site's provision of adequate access to safe drinking water, effective sanitation, and protective hygiene (WASH) for all workers onsite shall be identified and where applicable, quantified 3.6.2 Evidence that the site is not impinging on the human right to safe water and sanitation of communities through their operations, and that traditional access rights for indigenous and local communities are being respected, and that remedial actions are in place where this is not the case, and that these are effective	☒ Evidence of site's provisions of WASH ☐ Evidence of site operations not affecting water rights of surrounding environment ☐ Other : The site has conducted potable water testing to ensure the safety of the water, provided training on sanitation, and posted the notice of washing hands. Evidences: WASH summary report.

Criteria	Documents Reviewed
3.7 Implement plan to maintain or improve indirect water use within the catchment: 3.7.1 List of suppliers and service providers, along with the actions they have taken as a result of the site's engagement relating to indirect water use 3.7.2 Evidence of engagement with suppliers and service providers, as well as, when applicable, actions they have taken in the catchment as a result of the site's engagement related to indirect water use, shall be identified	☒ List of suppliers and service providers ☒ Evidence of engagement with suppliers and service providers ☐ Other : The site has conduct the water use investigation on the supplier, like questionnaires filling, to get an overview of the suppliers. Based on the result, all of them are suppliers outside the catchment area. There are no suppliers in the catchment / basin. Evidences: Supplier evaluation form.
3.8 Notify the owners of shared water-related infrastructure of any concerns: 4.8.1 Evidence of engagement, and the key messages relayed with confirmation of receipt	☒ Evidence of engagement ☐ Other : The site has monitored the water quality of the downstream water reservoir. Evidences: Communication report.
3.9 Implement actions to achieve best practice towards AWS outcomes: 3.9.1 Actions towards achieving best practice, related to water governance 3.9.2 Actions towards achieving best practice, related to targets in terms of water balance 3.9.3 Actions towards achieving best practice, related to targets in terms of water quality 3.9.4 Actions towards achieving best practice, related to targets in terms of the site's maintenance of IWRAs 3.9.5 Actions towards achieving best practice, related to targets in terms of WASH	☒ Actions related to water governance ☒ Actions related to water balance ☒ Actions related to water quality ☒ Actions related to IWRAs ☒ Actions related to WASH ☐ Other : Suntory implemented actions to achieve these five outcomes. The progress will be reviewed regularly. Evidences: Actions list.
STEP 4: Evaluate	

4.1 Evaluate the site's performance: 4.1.1 Performance against targets in the site's water stewardship plan and the contribution to achieving water stewardship outcomes shall be evaluated 4.1.2 Value creation resulting from the water stewardship plan shall be evaluated 4.1.3 The shared value benefits in the catchment shall be identified and where applicable, quantified	☒ Performance against targets ☒ Value creation ☐ The shared value benefits (if applicable) ☐ Other : Target in site water stewardship plan was 1.water conservation, 2.Water saving, 3.discharge water control. Performance against target was evaluated. For 1, the site implemented to cut unnecessary bamboo tree and Japanese cypress to grow necessary wide leaf kind of woods and green field environment revitalization. Also the site implemented to treat insecticide on crispula in "Natural water forest: Tennensui-no-mori". For 2, the site implemented water saving promotion and cleaning water recycle though, it resulted in unachieved in comparison with previous year 2018 as water unit (m3/Kl) worsens by 1%. Water use 2019 was less than 2018. For 3, it achieved target to maintain within regulation. The site implemented chemical recovery and higher level treatment introduced by external service provider. It resulted in decrease number of impurities from discharge water. Value created was 1.culturally, it contributed to "Okudaisen" brand awareness. 2. Economically, water conservation activity created value for water flood prevention, catchment water reservation, water quality improvement according to evaluation manual issued by forest governmental authority. 3. Socially, improvement on water conservation function and bio diversity. Those were contributed to achieve target. Shared value benefits in the catchment was corresponded to each target i.e. 1.Water conservation, 2.Water savings, 3.Discharge water control. For 1, water level in well was not remarkably decreased. It observed monitoring point. Those moderate fluctuation was considered to maintain allowable level of water. For 2, It observed that water intake was reduced by 7.3%

Criteria	Documents Reviewed
	but consumption water unit was increased by 1%. For 3, water quality showed all figures were within allowance of regulation. It was pH 5.8- 8.6, BOD 20mg/l(average daily 15mg/l or below), SS 40mg/l(average daily 30mg/l or below), Coli form 800 pc/cm3. Evidences: Performance review.
4.2 Evaluate the impacts of water-related emergency incidents: 4.2.1 A written annual review and (where appropriate) root-cause analysis of the year's emergency incident(s) shall be prepared and the site's response to the incident(s) shall be evaluated and proposed preventative and corrective actions and mitigations against future incidents shall be identified	☒ A written annual review and root-cause analysis ☐ Other : Annual review observed that there was no emergency incident in fiscal year 2019 and up to today. The site implemented a training for emergency response in case discharge water quality incident happened. Training was carried out Nov 25th, 2019 with 10 participants. It gives physical training & knowledge for especially chemical leakage. Evidences: Emergency drill report

Criteria	Documents Reviewed
4.3 Evaluate the stakeholders' consultation feedback: 4.3.1 Consultation efforts with stakeholders on the site's water stewardship performance shall be identified	☒ Stakeholder feedback ☐ Other : Consultation effort on the site's stewardship performance was identified. Case1, comment from Mr. Yoshiyuki Hioki, professor agriculture and life environment, Tottori University as of Sep 11, 2020. It says that 1.Natural forest conservation was implemented by Suntory. It's evaluated high for natural resource sustainability. 2.Unnecessary wood was cut in 2020 followed by 2012 for necessary wood growth within Suntory natural water forest : Tennensui-no-mori in Japanese. It's evaluated also high for natural resource sustainability. 3.Evaluation on natural habitat, forest growth, forest structure and change quantitatively in catchment was implemented by Suntory. It's evaluated important for further practical actions. Case 2, comment from Mr.Suetsugu, Udagawa, Kofu-cho officer as of Sep 4th, 2020. It says that 1.various kind of data including water has been shared at Kasarabara monitoring committee. It's evaluated high as easy, understandable thus being appreciated. Evidences: Written comments

Criteria	Documents Reviewed
4.4 Evaluate and updated the site's water stewardship plan: 4.4.1 The site's water stewardship plan shall be modified and adapted to incorporate any relevant information and lessons learned from the evaluations in this step and these changes shall be identified	☒ Modification of water stewardship plan ☐ Other : The site stewardship plan was modified and adapted to incorporate relevant info and changes were identified. Three (3) Modification in plan 2019 were observed. First, it was dimension expansion for cutting unnecessary wood (bamboo) to grow necessary woods, which is relevant to water conservation in target 1. Second, it was target in 2019 where consumption water unit was set to decrease from level in 2018, which is relevant to water saving in target 2. Third, discharge water quality criteria was revised to the one which is more strict and safe for environment. It's relevant to discharge water control in target 3. Evidences: Water Stewardship Plan
STEP 5: Communication and Disclosure	
5.1 Disclose water-related internal governance of the site's management: 5.1.1 The site's water-related internal governance, including positions of those accountable for compliance with water-related laws and regulations shall be disclosed	☒ Summary of governance ☐ Other : The site's water-related internal governance was disclosed in Suntory website where two(2) organizational org chart showed 1.environmental conservation org, 2.water resource org. Mr. Makoto Tominaga, a plant manager and environmental governance manager was accountable for compliance with water-related laws and regulations while Mr. Masataka Kusumi and Mr.Shinsuke Yamanaka was responsible for water resource management. Evidences: Company Website Meeting minute from "Environmental monitoring committee around Kasarabara area" Presentation material used in a meeting with Kofu town officer

Criteria	Documents Reviewed
5.2 Communicate the water stewardship plan with relevant stakeholders: 5.2.1 The water stewardship plan, including how the water stewardship plan contributes to AWS Standard outcomes, shall be communicated to relevant stakeholders	☒ Documented evidence of communicating ☐ Other : One minor non-conformity was raised. The water stewardship plan, including how the water stewardship plan contributes to AWS Standard outcomes, was communicated to relevant stakeholders. It's not included 3 water stewardship outcome out of 5. I.e. Governance, IWRA, WASH. Evidences: Company Website Meeting minute from "Environmental monitoring committee around Kasarabara area"
5.3 Disclose annual site water stewardship summary: 5.3.1 A summary of the site's water stewardship performance, including quantified performance against targets, shall be disclosed annually at a minimum	☒ Water stewardship performance summary ☐ Other : The site's water stewardship performance in 2019 was disclosed in website. It showed performance against target. Evidences: Company Website Annual Sagarikaya area board meeting report and indigenous area meeting report
5.4 Disclose efforts to collectively address shared water challenges: 5.4.1 The site's shared water-related challenges and efforts made to address these challenges shall be disclosed 5.4.2 Efforts made by the site to engage stakeholders and coordinate and support public-sector agencies shall be identified	☒ Disclosure evidence ☐ Other : The site's water-related challenge and efforts made by the site was disclosed. Evidences: Company Website Meeting minute from "Environmental monitoring committee around Kasarabara area" Presentation material used in a meeting with Kofu town officer

Criteria	Documents Reviewed
5.5 Communicate transparency in water-related compliance: 5.5.1 Any site water-related compliance violations and associated corrections shall be disclosed 5.5.2 Necessary corrective actions taken by the site to prevent future occurrences shall be disclosed if applicable 5.5.3 Any site water-related violation that may pose significant risk and threat to human or ecosystem health shall be immediately communicated to relevant public agencies and disclosed	☒ List of water-related compliance violations with corresponding corrective actions ☐ Other : Compliance violation record was observed. There was no violation in 2019 and in 2020 as of Aug 13th, 2020. More over there has been no violation since 2008 when the site commenced operations. Evidences: Company Website Meeting minute from “Environmental monitoring committee around Kasarabara area” Presentation material used in a meeting with Kofu town officer

Assessment Non-conformities:

Minor non-conformities:

Totally six minor non-conformities were identified during the audit.

NO.	AWS Expectations	Description of non-conformity	Client's cause analysis	Client's corrections and corrective actions
1	1.2.1	The plant conducted the stakeholder identification/engagement, not they did not establish a written procedure of the process of stakeholder identification/engagement.	Extraction of stakeholders and degree of impact was created in consultation with a unique expert within the company. As a result, it was listed according to certain procedure and evaluation criteria, but the viewpoint of "allowing anyone to extract and evaluate stakeholders based on the same criteria" was omitted.	Document the procedure manual and evaluation criteria so that the list can be reviewed according to same criteria.
2	1.5.7	The WASH services within the catchment are not sufficiently collected.	It was misunderstood that evaluation was unnecessary because there was no WASH service that we received in the catchment area and there was no service that we could receive.	Re-extract and evaluate from the perspective of WASH services existing in the catchment area.
3	1.8.1	The best practices of water governance are incomplete.	We misunderstood that it would be good to extract best practices from organizations including ourselves in the catchment area, and we could not respond because we thought we could be only recognizable as best practitioner.	Data and technical examples released by the government, expanding the horizons to Japan wide as "related to catchment areas". Data collected from related organizations such as beverage manufacturing and information gathered at exhibitions. Identify best practices for water governance based on databases compiled within the Suntory Group.
4	2.2.1	System is not maintained adequately for compliance case.	Due to the specification decision and design delay with respect to the construction start date, the drawing creation for notification	In the legal and regulatory register, for items that describe matters related to

		Application on installation of wastewater discharge tower had to be declared to prefecture 60 days before it starts. Ref: Septic tank law says environmental legal requirement registration and monitoring chart.Ref: No procedure to report authority on water quality pollution	was delayed and the notification was less than 60 days. At that time, we knew in advance that it was not possible to submit 60 days in advance, so we contacted the government (Tottori prefecture) by phone before interrupting 60 days in advance, and evened out with materials that can be prepared in advance with the officer in charge. It was understood that the shortening permit would be used after discussions. However, since there was no evidence regarding prior consultation, it was misleading whether the response was taken 60 days before.	notification, add a wording notifying that materials such as e-mails in "advance consultation" will be stored together with the duplicate notification material and share it with the members' association. In order not to miss and delay legal application, we will continue to manage the calendar by the environmental committee as before.
5	2.3.1	The strategy did not clearly address AWS outcome.	It showed only the strategy of continuation from Ver1.0, and was not grasped from the viewpoint of "comprehensive". The current "water stewardship strategy" has been summarized with a focus on typical activities in the factory, and only a small number of outcome-corresponding projects have been described. It has become a form that is inconsistent with the five outcomes in Ver2.0.	Review the representation of each eye, the activities associated with it, and the strategy so that they can be summarized as such, with the five outcomes in mind.
6	5.1.2	It's not included 3 water stewardship outcome out of 5. i.e. Governance, IWRA, WASH.	At the stage of creating "water stewardship and strategy", the five outcomes were not fully captured, so it was decided to produce inconsistency as a way of expressing the results of this item.	From the result of reviewing the strategy in 2.3.1, re-express the result in a form linked to it so that it can be communicated to stakeholders.

Observations:

None observation was identified during the audit.

8. Summary and Conclusion of the Assessment

In assessment of the water stewardship performance of the Suntory Products Limited Okudaisen Bunanomori Water Plant, it is apparent that the sites put considerable efforts to adopt the AWS standard into the management system.

Six minor-conformity was raised during the assessment. ŧThe Suntory has been requested to make some improvement plan to address the Non-conformities to fully compliant to the standard.

All evidences provided to TÜV Rheinland to address the non-conformity was reviewed and evaluated to ensure the compliance to the AWS standard. All actions were accepted as sufficient to close the non-conformity.

In conclusion, the Suntory Products Limited Okudaisen Bunanomori Water Plant met the AWS standard Version 2.0-Core Level.

9. Appendix

None