

Coca-Cola Bottlers Japan Holdings Group

AI Ethics Regulations

Coca-Cola Bottlers Japan Holdings Inc.

December 2024

Coca-Cola Bottlers Japan Holdings Group

AI Ethics Regulations

Chapter 1 General provisions

Article 1 (Purpose)

1. It is a corporate social responsibility for companies to properly comply with laws and ethical standards and to conduct correct corporate activities in the use of AI. The Company (Coca-Cola Bottlers Japan Holdings Inc.) and wholly-owned subsidiaries (excluding Kadiac, hereinafter collectively referred to as “CCBJH Group”). The appropriate use of AI by CCBJH Group is a fundamental requirement for business and an essential activity for providing value to customers, shareholders, and other stakeholders.
2. The purpose of this CCBJH Group AI Ethics Regulations, hereinafter collectively referred to as “Regulations”, in conjunction with the CCBJH Group Human Rights Policy, is to set forth basic matters to be observed by the CCBJH Group in the appropriate use of AI, including ethical considerations for human rights and other aspects.
3. For these Regulations to function effectively, all directors, officers, and employees, including management, and all persons engaged in the business of the CCBJH Group in a contractual relationship, hereinafter collectively referred to as “Executives and Employees”, are required to comply with these Regulations.

Article 2 (Scope of Application)

1. These Regulations applies to all organizations of the CCBJH Group and all Executives and Employees of the CCBJH Group.
2. It requires all employees, including those not in direct contractual employment, such as outsourced executives and temporary employees, to act in accordance with these Regulations. This includes entering into outsourcing contracts and confidentiality agreements, as well as

requesting written pledges from them.

Article 3 (Applicable Areas)

The terms as used in these Regulations defined as follows:

(1) AI

- ① Software or programs for machine learning, or systems in which such software or programs are embedded.
- ② Systems that use machine learning to generate output such as content, predictions, recommendations, and decisions.

(2) AI Providers

An individual in a position to utilize AI.

(3) AI Users

An individual in a position to utilize AI.

Article 4 (Responsibility)

The Director of the Business System Division is responsible for these Regulations and supervises the management of the CCBJH Group's use of AI.

Article 5 (Principles of AI Utilization)

Principles in AI Ethics shall be defined as follows:

(1) Human centric

AI may produce information that appears to be true or may produce unethical output such as forceful expressions.

① AI Providers

It is the responsibility of AI providers to ensure that their products are not used for the purpose of improperly manipulating human decision-making, cognition, or other emotional responses.

② AI Users

It is the responsibility of AI users to prioritize respecting human rights by verifying the output from AI, entering the process of AI utilization, and making appropriate judgements. Additionally, AI users must be vigilant in monitoring AI-driven decision-making and emotional manipulation and implement measures to prevent the spread of misinformation.

(2) Safety

If the use of AI is subject to regulation in any way by existing or new laws or guidelines, the use of AI must be stopped.

① AI Providers and Users

AI providers and users must comply with regulatory investigations and laws and prioritize ensuring that AI technology does not cause harm to the community and its Executives and Employees (safety). They must also strive to minimize any adverse effects.

② AI Providers

It is the responsibility of AI providers to ensure that AI is used appropriately. This could be achieved by clearly defining the points to be considered in the use of AI and by periodically verifying that AI is being used for appropriate purpose.

③ AI Users

It is the responsibility of AI users to ensure appropriate use of AI by observing the points to be considered in the use of AI specified by AI providers and by using AI within the scope assumed by AI providers in their design.

(3) Fairness

AI may produce results that discriminate against certain users.

① AI Providers and Users

It is the responsibility of AI providers and users to strive to minimize bias in AI technology. This should be done in a way that ensures that Executives and Employees with various difference in age, race, nationality, disability, gender, sexual orientation, gender identity, gender expression, work style, and other factors are given fair opportunities to work, grow and challenge.

② AI Providers

It is the responsibility of AI providers to ensure the fairness of data and to verify that the referenced information, linked external services, and other information do not result in discriminatory outputs at the time of AI provision.

③ AI Users

It is the responsibility of AI users to ensure fairness to all Executives and Employees. This could be achieved by verifying fairness using

data from various perspectives, or by having a human check the output results and make an impartial judgement.

(4) Privacy protection and copyright protection

Depending on the data used, AI may result in the infringement of privacy or copyright.

① AI Providers and Users

It is the responsibility of AI providers and users to protect the privacy and rights of users by limiting the data used and verifying how the output results are used in AI in general. It is essential to clarify data handling practices, comply with all relevant laws, regulations, social rules, and company rules, and implement measures to privacy protection and copyright protection.

(5) Ensuring Security

It is important to consider the potential for misuse of AI due to external attacks or unexpected usage.

① AI Providers

It is the responsibility of AI providers to implement restrictions on inputs to the AI and security measures to ensure that they are up to date with the latest threat trends. Additionally, AI providers must prioritize continuous monitoring and improvement of user data and system safety.

② AI Users

It is the responsibility of AI users to ensure the security of their data by observing the security precautions taken by AI providers and taking care not to input any confidential information or other sensitive data into the AI.

(6) Transparency/Accountability

AI may not be able to explain the basis for decision-making or judgement, depending on the algorithm. This may lead to stakeholder disenchantment.

① AI Providers

Providing timely and appropriate information about the fact that AI is being used, the scope of its use, and appropriate and inappropriate

uses to ensure accountability (the ability to understand and articulate how AI decisions and predictions are made) and interpretability (the ability for humans to understand and explain AI behavior) To make the decision-making and decision-making process of AI accountable to stakeholders and easy to interpret by providing timely and appropriate information about the fact that AI is being used, the extent to which it is being used, and the appropriate and inappropriate ways in which it is being used.

② AI Users

AI users should be committed to providing reasonable and sincere responses, including analysis of output trends and disclosure of information to stakeholders.

Article 6 (Review of The Policy)

CCBJH Group should review these Regulations when it becomes necessary to revise these Regulations due to amendments to relevant laws, obsolescence of technology, or changes in business strategy. It should also be reviewed when new countermeasures become necessary to respond to changes in threats related to AI.

Chapter 2 Appendix

1. These Regulations is established and implemented as of December 26, 2024. However, it will be applied from December 12, 2024.