



**Coca-Cola Bottlers Japan Holdings Inc.**



## Mission

Deliver happy moments to everyone while creating value

## Vision

- We are the preferred partner for our customers
- We win in the market through sustainable growth
- We lead a learning culture with commitment to grow
- We are the best place to work with pride for Coca-Cola

## Values

- Learning
- Agility
- Result-orientation
- Integrity

## CONTENTS

|    |   |                     |   |    |  |             |
|----|---|---------------------|---|----|--|-------------|
| 03 | Top Message                                   | CSV HIGHLIGHTS 2021 |   | 17 | Platform   | Inclusion   |
| 05 | Value Creation Cycle                          | 11                  | Response to the COVID-19 Pandemic               | 19 | Platform   | Communities |
| 07 | Coca-Cola System Sustainability Framework     | 13                  | Hiroshima Plant: Recovery from Natural Disaster | 21 | Platform   | Resources   |
| 09 | CCBJH Group Commitments toward Value Creation | 15                  | Toward a World Without Waste                    | 25 | CCBJH Group's CO <sub>2</sub> Emissions Results and Accounting Methods |             |
|    |   |                     |   | —  | Group Structure/External Evaluations                                   |             |

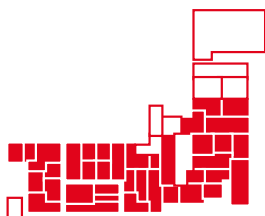
### ● Terminology

The "CCBJH Group" ("we") refers to Coca-Cola Bottlers Japan Holdings Inc. and its seven Group companies (Coca-Cola Bottlers Japan Inc., and the CCBJI Group's other companies), while "CCBJI" refers solely to Coca-Cola Bottlers Japan Inc. "CCBJI Group" refers to Coca-Cola Bottlers Japan Inc. and its Group companies. "Bottlers" refers to all bottling partners throughout Japan, as designated by Coca-Cola (Japan) Company, Limited. The "Coca-Cola system" comprises Coca-Cola (Japan) Company, Limited, its bottling partners, and other affiliated companies. "Customers" generally refers to both "consumers" (primarily product end-users) and "business partners" (primarily those who sell our products).

\*Coca-Cola Customer Marketing Co., Ltd., Coca-Cola Bottlers Japan Vending Inc., FV Japan Co., Ltd., Kadiac Co., Ltd., Coca-Cola Bottlers Japan Business Services Inc., and Coca-Cola Bottlers Japan Benefit Inc.

## Corporate Profile (As of February 1, 2021)

|                       |  |
|-----------------------|--|
| Company name          | Coca-Cola Bottlers Japan Holdings Inc.   |
| Founded               | December 20, 1960<br>(Trade name changed to Coca-Cola Bottlers Japan Holdings Inc. on January 1, 2018) |
| Fiscal year end       | December 31  |
| Capital               | ¥15,232 million  |
| Representative        | Calin Dragan, Representative Director and President  |
| Stock market listings | Tokyo Stock Exchange (First Section)   |



### Business area

Tokyo, Kyoto, Osaka, and  
**35** prefectures



### Sales volume

About **90%**  
of the Coca-Cola system  
in Japan



### Consumers in sales area

About **112** million  
(51 million households)



### Plants

**17**



### Sales and distribution centers

About **330**



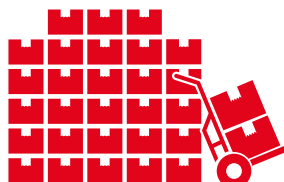
### Customer outlets

About  
**250,000**



### Vending machines

About  
**700,000**



### Annual sales volume

About  
**500** million cases



### Vehicles

About **14,500**

# Business as usual is not an option. We are embracing change to achieve sustainable growth.

We offer our sincerest sympathies to everyone impacted by the COVID-19 pandemic. We would also like to express our deepest respect and appreciation for the medical professionals, and for all who have been on the front lines throughout this difficult time.

## **Delivering happy moments to everyone while creating value**

We are all living through unprecedented times because of the COVID-19 pandemic. Economic and social activity have been severely impacted, while businesses have been forced to change in order to protect the bottom line and continue to provide services in a dramatically changed environment. The beverage industry in Japan is no different, and has experienced lower consumer traffic in channels such as convenience stores and vending machines due to the impact of more people working from home and refraining from going out. In this environment, the CCBJH Group has rapidly adapted its work styles in an agile way; secured the safety of consumers, business partners, employees, and communities; and prioritized the continued support of local communities, by such means as donating beverages, implementing strict hygiene protocols, and shifting to a flexible work-from-home model. Our Mission is to “Deliver happy moments to everyone while creating value.” We will continue striving to provide safe and trustworthy products and services that are essential for daily life.

## **An unrelenting focus on transformation for greater growth**

The CCBJH Group has placed creating

shared value (CSV)—in which business growth and society’s sustainability are treated as one issue—at the core of its business management.

In order to achieve our Mission and to continue our CSV activities, we must strengthen our business. In 2020, inspired by the strong determination that business as usual is not an option, we accelerated the transformation of our business under difficult circumstances. One example of this is our focus on developing a quicker and more agile supply infrastructure. With the startup of seven aseptic production lines—in which we have been investing since 2019—we have increased our production capacity for aseptic packaging by 20% to meet growing demand. Moreover, the optimization of our logistics network is progressing steadily with our advanced, large-scale automated distribution center (Saitama Mega Distribution Center) becoming operational in February 2021. Operations at the Saitama facility will ramp up in 2021 and this will play an important role in future delivery of efficiency savings. In addition, the new Hiroshima Plant—forced to relocate due to damage from torrential rains in western Japan in 2018—became operational in June 2020, and in October 2020, the plant’s tour facilities, which will provide an important venue for communication with stakeholders, were completed.

## **Solid progress in addressing society’s priority issues**

With less than a decade until the target year of the United Nations Sustainable Development Goals (SDGs), activities related to the

environment, society, and governance (ESG) are of growing importance. The Coca-Cola system in Japan has identified three Sustainability Platforms based on the SDGs—Inclusion, Communities, and Resources—and has determined nine priority issues within these categories. To address these issues, the CCBJH Group has set its own non-financial CSV Goals and is advancing concrete initiatives.

In the area of Inclusion, in January 2021, we achieved our initial target—6% of our managers being female—earlier than planned, and we have updated our goal to having 20% female managers by 2030.

In Resources, the Coca-Cola system in Japan established its 2030 Packaging Vision in January 2018 (revised in July 2019) based on the global Coca-Cola vision of a World Without Waste. We are working to achieve this vision via three core elements: design, collect, and partner. We are making solid progress and have increased the content of recycled PET plastic in PET bottles to 28% (7 percentage points higher year on year). We have significantly reduced our use of plastics made from fossil fuels with the launch of products such as *I LOHAS Natural Mineral Water* in 100% recycled PET bottles and labelless packaging for online sales—which became available in March and April 2020, respectively.

For Communities, we are undertaking initiatives that leverage our valuable community partnerships to support Inclusion and Resource priorities as part of realizing flourishing communities.



**Stakeholder collaboration is  
crucial for creating a virtuous  
cycle of sustainable growth**

We face increasing uncertainty as social issues become more complex, and we are also dealing with the unprecedented threat of COVID-19. However, no matter the circumstances, our aim is to achieve our Mission. Realizing our Mission means more than just delivering happy moments to our consumers. It also involves continuing to provide society with value through our business activities, while maintaining a profit, therefore helping the whole of society to grow sustainably in a virtuous cycle. To do this, it is crucial to cooperate with our stakeholders. We aspire to fulfill our role in society in order to earn the support of our stakeholders, and, at the same time, strive to evolve even further as a corporate group. The Tokyo 2020 Olympic and Paralympic Games, long awaited by many around the world, is expected to be held in 2021. As a bottling company in the host country—and in collaboration with Worldwide Olympic Partner, The Coca-Cola Company, as well as Coca-Cola (Japan) Co., Ltd.—we will deliver happy moments to everyone and do our part to make the games a successful and memorable occasion.

Calin Dragan  
Representative Director and President  
Coca-Cola Bottlers Japan Holdings Inc.



# Achieving Sustainable Growth

The CCBJH Group aims to create both social and economic value and achieve sustainable growth by using water and other indispensable natural resources responsibly to provide its customers high-quality value-added products, while working in collaboration with The Coca-Cola Company and the members of the Coca-Cola system in Japan.

## MISSION

**Deliver happy moments  
to everyone while  
creating value**

## INPUT

### Natural capital

- Water, which is the source of our value creation, and other natural resources

### Intellectual capital

- Key global brands, led by “Coca-Cola,” and brands loved in Japan
- Marketing and R&D expertise to meet the needs of our customers
- Close relationships with The Coca-Cola Company, including the Coca-Cola (Japan) Company, and members of the Coca-Cola system in Japan

### Manufactured capital

- A raw materials procurement network, leveraging the scale of the global Coca-Cola system, that facilitates the production of safe and trustworthy products
- Cutting-edge management systems, facilities, and technology in our production plants
- A network of vending machines covering our entire sales area

### Human capital

- Employment of diverse and inclusive human resources
- Different work styles that allow employees to maximize their talents

### Social capital

- The trust of our stakeholders and their support for CSV initiatives
- Close involvement in community activities throughout our sales area

### Financial capital

- Good stewardship of capital
- Solid balance sheet
- Shareholder returns

## Creating



**Inclusion**

**Co**

Coca-Cola System  
Sustainability Framework:



P. 07

Progress report by material issue:



P. 17

# SV

## Shared Value



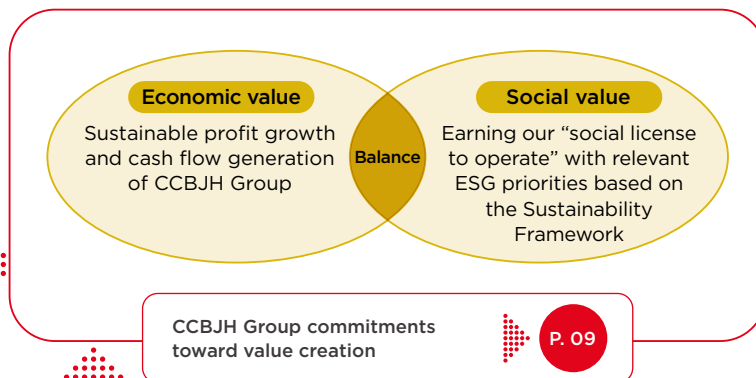
Communities



Resources

Creating shared value (CSV) is at the core of our business because we believe opportunities for further Group growth come from helping address social issues. We carry out CSV initiatives based on our Sustainability Framework, which was developed from a detailed materiality analysis for the business. Our Sustainability Framework comprises three platforms—Inclusion, Communities, and Resources—and nine priority issues.

## OUTCOME



## OUTPUT

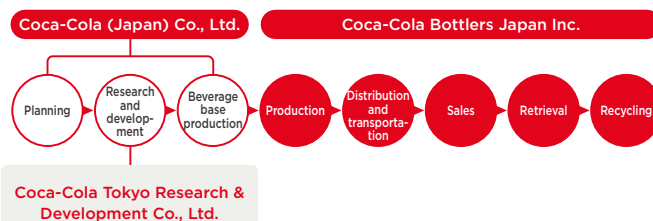


## BUSINESS MODEL

In our beverage business, the CCBJH Group aims to deliver to customers the beverages they want, when and where they want them. To make this a reality, we aim to achieve best-in-class innovation and operations while collaborating with The Coca-Cola Company and the Coca-Cola (Japan) Company. While rapidly responding to changes in society and the market environment, we are creating products that not only meet customer needs now, but will also fulfill unmet needs.

### The Coca-Cola system in Japan

The Coca-Cola system in Japan is composed of Coca-Cola (Japan) Co., Ltd.—which supplies beverage base, plans and develops new products, and conducts marketing activities—as well as five bottling partners and other affiliated companies that manufacture or sell products and retrieve their containers for recycling.



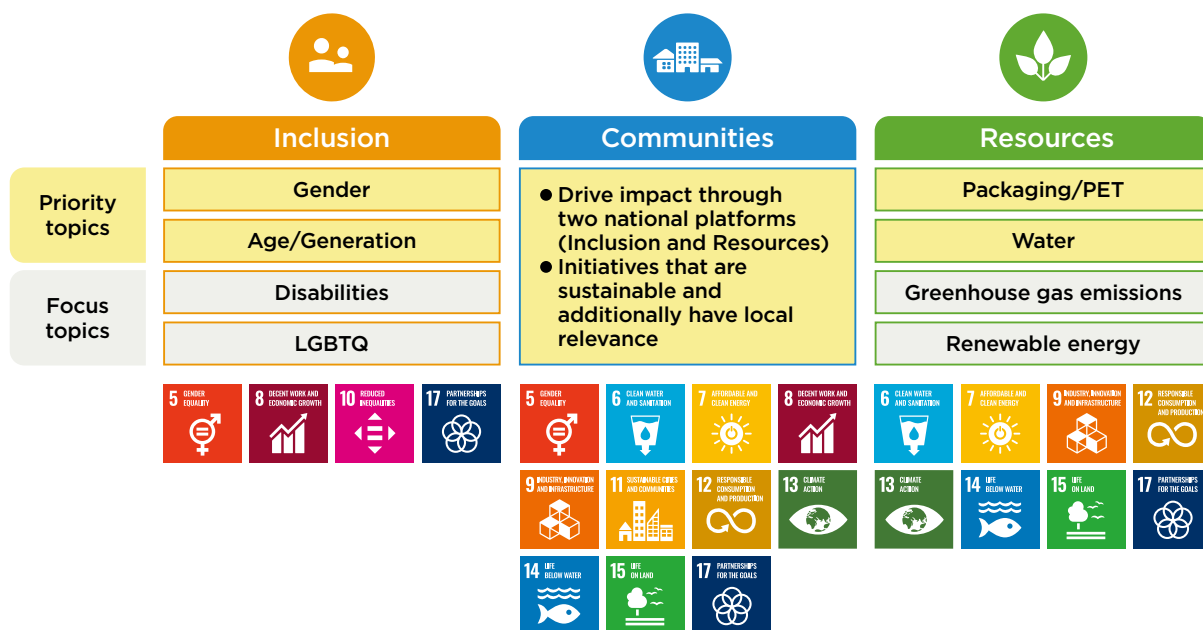
In 2019, Coca-Cola (Japan) Co., Ltd. and Coca-Cola Bottlers Japan Inc. jointly conducted a large-scale study to identify sustainability issues and set priorities based on materiality for the Coca-Cola system in Japan. The intent was to formulate a strategy reflecting issues unique to Japan, in addition to global sustainability targets being pursued worldwide, and to include these in a common action plan for the combined Coca-Cola system in Japan. The result was an agreement on the three platforms of Inclusion, Communities, and Resources, and nine priority issues to be addressed across Coca-Cola's operations in Japan.

## Purpose of Coca-Cola System Sustainability Activities

We are committed to creating a shared future and a sustainable business that can make a difference when addressing important challenges facing Japan, including the environment, people's lives, and our communities.

### Japan Coca-Cola System Sustainability Framework: Three Platforms and Nine Priority Issues

The nine priority issues are further subdivided into five priority topics specified for immediate action, and four focus topics that require dedicated attention and action plans. We have also examined the impact of the three platforms against the Sustainable Development Goals (SDGs) and are working toward progress against these SDGs.



Going forward, the Coca-Cola system in Japan will develop and implement concrete action plans based on the identified priority issues.

We will continue to report regularly on the progress and results of activities by Coca-Cola Bottlers Japan, Inc., in partnership with the Coca-Cola system in Japan and seek to engage in activities aligned with the times, referring to the opinions of NPOs, outside specialized organizations, experts and other third parties.

## Process of Establishing the Sustainability Framework

1

### Identified social issues in Japan based on third-party studies

We selected 189 issues by categorizing social issues from outside consultant reports, ISO 26000, and government agency reports, among others.

2

### Narrowed down the list from 189 to 33 issues

We narrowed down the list of issues from 189 to 33 based on common shared categories, such as renewable energy and an aging society.

3

### Plotted a materiality matrix of 33 issues and specified 15 priority issues

We assessed the importance of the 33 issues, and then specified 15 issues of high social importance that were also highly relevant to the Coca-Cola system in Japan.

**Q. 1 | How did you go about establishing the Sustainability Framework?**

In 2018, The Coca-Cola Company adopted the global goal of realizing a World Without Waste. In addition to promoting, for example, a 100% recycling rate for our packaging, we are tackling a variety of social issues around the world, such as water resource conservation and encouraging women's success in the workplace. Then, within the Coca-Cola system in Japan, we emphasized how to approach not only global issues, but also issues unique to Japan that the country should take the lead on. We held discussion forums throughout the system, and while aligning with global goals, we identified priority issues from among the social issues that Japan is confronting. While aiming to address issues that can leverage our specific strengths, the most important thing is building a strategy to bring about business growth and protect our "social license to operate" as a local company fulfilling our mission to "Deliver happy moments to everyone while creating value."

**Q. 2 | What was your focus in establishing the Sustainability Framework?**

We focused on three different perspectives.

First, the relationship between Japan and the rest of the world. We thought it was necessary to consider all the issues from both a global and a Japanese point of view. Second, the relationship between the present and the future. It was important to select themes that incorporate the future as well as the present. Third, we looked at social impact. We emphasized the positive impact we could make by fully utilizing our strengths to meet society's needs.

From these three perspectives, we have identified issues that balance Japan's unique challenges with our strengths. Among these issues, with regard to recycling packaging, we have set goals that are both unique to Japan and even higher than our global goals.

**Raymond Shelton**

Executive Officer,  
Head of Investor Relations and  
Corporate Communications



**Q. 3 | When establishing the Sustainability Framework, what was the reason for engaging with the entire Coca-Cola system in Japan?**

What is most important is not the identification of the problems, but the practicalities of implementing the solutions. Issues and needs differ from region to region—even within Japan—and we must respond appropriately in each area, which can require cooperation with external organizations and coordination across our nationwide footprint of Coca-Cola related companies in Japan. We have the opportunity to leverage the full scale of the Coca-Cola "system's" operations across Japan and, indeed, around the world. To that end, it is important to collaborate across all five Coca-Cola bottling partners who have contacts with stakeholders in each region, and the Coca-Cola (Japan) Company. After formulating our Sustainability Framework, the Coca-Cola system in Japan has been strongly promoting united efforts on our priority platforms of Inclusion, Communities, and Resources.

Recently, the importance of sustainability has only increased. In the years to come, we will use our business to work alongside our stakeholders to promote activities that help resolve priority issues.

4

**Conducted interviews within the Coca-Cola system and adjusted priority issues**

We then added priority issues identified through workshops with management and employees of the Coca-Cola system in Japan, which increased the number of priority issues to 19.

5

**Specified 3 platforms and 9 priority issues**

After discussions with the management of the Coca-Cola (Japan) Company and Coca-Cola Bottlers Japan, 3 platforms and 9 priority issues were agreed upon.



Workshop held in 2019

The CCBJH Group is committed to achieving sustainable growth along with its corporate Mission. The Group has established business strategies and set key performance indicators (KPIs) for creating economic value, and has set non-financial goals, or CSV Goals, for creating social value. We are promoting a cycle of value creation by annually checking the progress of our commitments against the KPIs in a plan-do-check-act (PDCA) cycle.

### CCBJH Group commitments (KPIs)

## COMMITMENT

#### Economic value



Management strategy and KPIs

● 2021 Outlook KPIs











Earnings presentations

<https://en.ccbj-holdings.com/ir/library/presentation.php>



#### Social value Non-financial goals: CSV Goals

|   |                         |                |  |
|---|-------------------------|----------------|--|
|    | Products                | ● 100%         | Zero/low-calorie options for core brands                                       |
|   |                         | ● 300%         | FOSHU/functional product growth  |
|   |                         | ● 100%         | Front-of-pack calorie label and straightforward nutritional information        |
|   |                         | ● 100%         | Observation of The Coca-Cola Company Responsible Marketing Policy              |
|  | Water                   | ● 200%         | Water source replenishment. Focus on watersheds near our plants                |
|   |                         | ● 30%          | Water usage reduction by 2030  |
|  | Climate change          | ● 25%          | Reduction in greenhouse gas emissions by 2030                                  |
|   |                         | ●              | Promotion of renewable energy  |
|  | World Without Waste     | ● 50%          | Content of recycled PET in PET bottles by 2022                                 |
|   |                         | ● 90%          | Content of recycled PET in PET bottles by 2030                                 |
|   |                         | Design ● 100%  | Sustainable PET without fossil fuel use by 2030                                |
|   |                         | ● 100%         | Adoption of recyclable packaging by 2025                                       |
|   |                         | ● 35%          | Further lightweight PET packaging by 2030 (compared to 2004)                   |
|   |                         | Collect ● 100% | Collection percentage compared to sales volume by 2030                         |
|  | Society                 | Partner ●      | Extensive partnerships across industry and environmental organizations by 2030 |
|   |                         | ● 100%         | Sustainable sourcing   |
|  | Human rights            | ● 100%         | Adherence to Supplier Guiding Principles across the CCBJH Group value chain    |
|   |                         | ● 10%          | Female managers by 2025  |
|  | Diversity and inclusion | ● 20%          | Female managers by 2030  |
|   |                         | ● 10%          | Employee volunteers  |
|  | Society                 | ● 1 million    | Participants in community programs   |

Baseline year is 2015 and target year is 2025 unless otherwise stated.



Details on our CSV goals

<https://en.ccbji.co.jp/csv/csvgoal/>





## Value created (outcome)

## OUTCOME

### Economic value



The achievement of sustainable growth by promoting responsible business practices and ensuring profitability

### Social value



**Consumers and customers**

- Delivering happy moments to consumers by providing refreshing beverages that support consumers' lifestyles, as well as promoting more informed and healthier choices
- Increasing awareness and support of appropriate beverage habits



**Environment**

- Promotion and development of a low-carbon society, a circular economy, and a society that coexists with nature



**Business partners/suppliers**

- Building of constructive relationships aimed at shared sustainable growth
- Long-term support for producers, retailers, and food service establishments



**Employees**

- Provision of workplaces and opportunities that enable employees to work with pride and to continue learning regardless of gender, age, or generation



**Communities**

- Revitalization of communities
- Helping address social issues



**Shareholders**

- Creation of shareholder value by ensuring profitability and promoting ESG initiatives



TOGETHER! FOR THE FUTURE

# Response to the COVID-19 Pandemic



The CCBJH Group has implemented a range of initiatives to continuously support the communities in which it operates amid the effects of the COVID-19 pandemic. To continue delivering happy, refreshing moments to everyone, we have taken comprehensive measures, such as supporting our communities, selling products designed to address the “with corona” era, and putting systems in place that allow employees to work more flexibly. As a preferred partner of our customers, our employees are working as one to continue to supply safe and trustworthy products and carry out business activities to overcome these challenging times together.

## 1 | Support for communities

### ● Donating products

Since April 2020, we have provided approximately 32,000 cases of products free of charge to approximately 365 medical institutions as well as national and local government organizations for the medical professionals working to prevent the spread of COVID-19 infections. We have also delivered approximately 14,000 cases of products to facilities that provide meals for children with busy or absent parents and various social welfare facilities through a total of 48 food banks. Going forward, we will continue to donate products to support people in need during the COVID-19 pandemic.

Number of  
product donations  
More than  
**46,000**  
cases

As of December 31,  
2020

### ● Donation of infection prevention equipment

In April 2020, when there was a shortage of personal protective equipment for medical professionals, the Coca-Cola Red Sparks men's rugby team donated 3,000 plastic raincoats that were originally meant for use by spectators to the city of Osaka to be repurposed. As part of plastic resource recycling efforts, the Coca-Cola system has manufactured approximately 11,000 simple face shields made from recycled PET materials and is donating them to medical institutions through public organizations.



A simple face shield



## 2

### New forms of business associated with the “with corona” era



Supporting website for consumers and business partners  
<https://en.ccbji.co.jp/business/together/>



From June 2020, we started applying an antivirus/antibacterial treatment to our vending machines by sticking a protective film to product selection buttons and dispensing slot covers. The protective film has been certified by the Society of Industrial-Technology for Antimicrobial Articles (SIAA) and has received the mark that certifies its antiviral and antibacterial properties and that strict standards have been met.

The CCBJI Group company FV Japan commenced mask sales at its vending machines in July 2020, and is working to provide an environment where masks can be purchased without face-to-face contact. As one of the infection prevention measures being promoted by the Tokyo Metropolitan Government, and in cooperation with the Japan Soft Drink Association (JSDA), the CCBJI Group is also in the process of attaching stickers listing COVID-19 safety measures to approximately 70,000 vending machines in the Tokyo metropolitan area to aid public awareness of COVID-19. We will continue to pursue new kinds of sales activities while implementing comprehensive measures for consumers and business partners.

Vending machines for selling masks

**22 machines**  
in Tokyo and 3 prefectures

As of September 2020



Vending machines with antiviral/antibacterial treatment

**65,000**

As of December 2020

Vending machines with Tokyo Metropolitan Government COVID-19 safety sticker

**Approx. 70,000**

As of December 2020

## 3

### Aiming for flexible ways of working during the “with corona” era

In the “with corona” era, the CCBJI Group is encouraging work styles that are consistent with the changes in society brought about by the effects of COVID-19. While accepting change with integrity, we are implementing a variety of measures to balance risk countermeasures and business continuity while ensuring employee safety and sustainable growth.

#### ● Balancing risk countermeasures and business continuity

As a result of having actively introduced IT tools—such as the distribution of smartphones to all employees—and smoothly shifting to new ways of working in response to the “with corona” era, CCBJI was selected as an honorable mention in the new lifestyle support category at the 38th Information Technology Awards 2020. We also worked on our telework program, a super flextime system with no core working hours, the promotion of a bicycle commuting policy, the expansion of satellite offices, and the holding of welcome ceremonies online. In 2021, we announced a special paid leave policy for employees to receive COVID-19 vaccinations during work hours.

#### Major initiatives for the “with corona” era

- Promotion of teleworking
- Expansion of satellite offices
- Promotion of bicycles as alternative means of commuting
- Promotion of IT tools, such as distribution of smartphones to all employees
- Special paid leave for COVID-19 vaccination

#### ● Regular internal messaging for employees

We are utilizing the company intranet and other communication tools to provide information and set up a Q&A page regarding COVID-19 for employees, as well as sending messages from management regarding work styles for the “with corona” era. These tools are also used for “message relays,” in which employees can tell each other about their work and how they are doing to feel closer to each other even in the midst of the COVID-19 pandemic. Colleagues’ responses, regardless of geographical area and department, become encouragement for everyone.

#### Message Relay

July 2, 2020

**“Activities that are always close to our customers. Together!”**



REBORN

# Hiroshima Plant: Recovery from Natural Disaster



The CCBJI Hongo Plant (Mihara City, Hiroshima Prefecture), which was severely damaged by flooding following torrential rainfall in western Japan in July 2018, moved to a new location within the city in June 2020 and was reborn as the new Hiroshima Plant.

A tour area in the plant was completed in October of the same year. While delivering safe and trustworthy products, we will use these facilities to contribute even more than before to the reconstruction and development of the region so that the Hiroshima Plant will become a symbol of reconstruction not only for the people who work there, but also for everyone in the local community.

## Hiroshima Plant History

July 2018



Following torrential rainfall in western Japan, 2.5 meters of floodwater inundated the Hongo Plant, halting operations due to serious damage to the production lines and automated warehouse.

June 2019



After rapid restoration work, we decided to move to a location about 4 kilometers from the Hongo Plant. After holding a service to pray for safety at the planned site, we started full-scale construction.

June 2020



Featuring a production capacity about 1.5 times that of the damaged Hongo Plant, the new plant has been reborn to play a key role in product supply to the Chugoku and Shikoku areas.

October 2020



At the completion ceremony, CCBJI Representative Director and President Calin Dragan expressed his gratitude to all those involved, including the governor of Hiroshima Prefecture, Hidehiko Yuzaki, and the mayor of Mihara City, Yoshihiro Okada.



Building on the concept of achieving an advanced and appealing plant where people from all over the world can gather, the goal of the new Hiroshima Plant was not just to restore the lost Hongo manufacturing capacity, but to create a top-class facility we could be proud to present to the world in terms of the environment, quality, working conditions, employee training and contribution to the community.

## 1 | Process controls for manufacturing high-quality products

To maintain safe and high-quality product standards, we carry out quality control assessments using automated inspection machines. These automated routines ensure that process controls are carried out in accordance with high standards on the latest equipment, which has enabled the efficient manufacture of high-quality products.



## 2 | World-class occupational safety conditions

We manage operations using *KORE* (Coca-Cola Operating Requirements), our unique global management system, which is more rigorous than domestic standards. We are also working to create safe workplaces by implementing equipment design and working conditions based on strict safety standards and risk management protocols.



## 3 | Introduction of latest IoT technology

We have installed a system to remotely monitor the status of equipment, and operate the production facilities and utility equipment in a stable manner. We have also achieved rigorous labor and energy savings, by such means as automating the process from the delivery of ingredients and raw materials to supply shipments and lot management, and by digitizing the creation of forms.



## 4 | Elimination of unnecessary work and new technological innovation

Water and energy consumption used to be calculated with spreadsheets, but we have reduced the time spent on calculation and management through automation. By incorporating new technologies, we are realizing energy savings and utilizing timely data as part of promoting invigorated improvement activities.



## 5 | New role as the center for communication with the community

In the plant, we have set up an innovative tour facility that serves as a place for interacting with people from all over the world. We have prepared a variety of surprising and fun experiences with the goal of creating a plant tour where visitors can immerse themselves in our best-in-class production processes. Through these activities, we will contribute to the process of regional revitalization as a new symbol of the Hiroshima area.



## WORLD WITHOUT WASTE

# Toward a World Without Waste



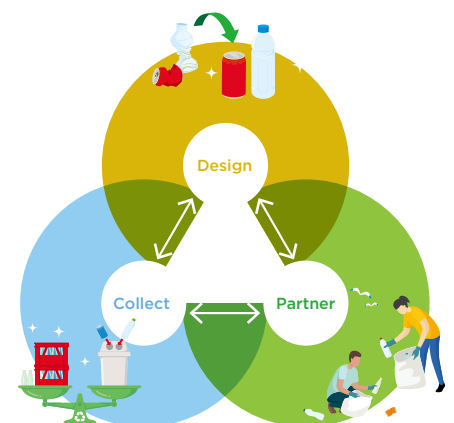
The Coca-Cola Company announced its global vision, a World Without Waste, in 2018. As part of realizing that vision, in January of the same year, the Coca-Cola system in Japan launched its 2030 Packaging Vision, which is made up of three core elements—design, collect, and partner.

In July 2019, the Coca-Cola system in Japan renewed its goals to exceed the environmental targets of the global initiative, including shortening the timeline to achieve certain targets at an earlier date, and it is making progress with specific initiatives.

### ● Three core elements of the 2030 Packaging Vision

Through the promotion of its bottle-to-bottle initiative, the Coca-Cola system in Japan is working to realize the 2030 Packaging Vision, with a primary goal of transitioning all PET bottles to 100% sustainable materials by 2030.

|         |   |
|---------|---|
| Design  | We are promoting bottle-to-bottle recycling to increase the usage of recycled PET plastic content to at least 50% by 2022 and 90% by 2030, while aiming for the complete introduction of PET containers that eliminate the use of new fossil fuels. |
| Collect | Under our Collect initiative, our aim by 2030 is to be able to recover a volume of PET bottles equivalent to that of the products we sell in Japan.   |
| Partner | Under our Partner initiative, we are working to build and maintain more robust recovery and recycling schemes through collaboration with the national and local governments, the beverage industry, and our communities.                            |



## Design



## Promotion of bottle-to-bottle initiative

Based on our 2030 Packaging Vision, the promotion of the bottle-to-bottle\* initiative by the Coca-Cola system in Japan is steadily progressing toward its goal. In 2020, as a result of having adopted 100% recycled PET bottles for both *I LOHAS Natural Mineral Water* and *I LOHAS Natural Mineral Water Labelless*, we received the Plastic Resource Recycling Special Category Grand Prize at the 21st Green Purchasing Awards in recognition of our contributions to a recycling-oriented society.

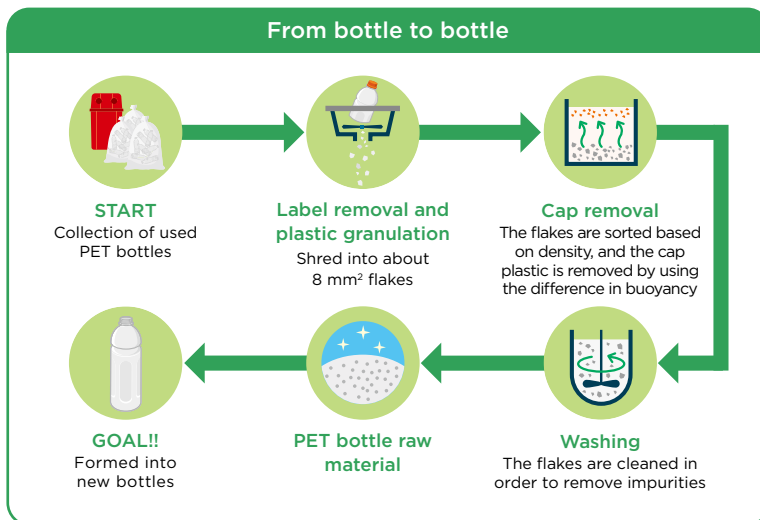
Since February 2021, we have also been engaged in awareness-raising activities, such as the introduction of the "Recycle Me Again" logo on all our recyclable product packages, to aid in the realization of a circular economy for plastic. In May 2021, We have expanded our 100% recycled packaging to include our flagship brand *Coca-Cola* and *GEORGIA JAPAN CRAFTSMAN* in small PET packaging.

\*An initiative to collect used PET bottles and make them into new PET bottles.

Bottle-to-bottle  
usage rate of  
recycled PET plastic

**28%**

(+7% year on year)



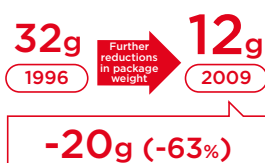
Reduces CO<sub>2</sub> emissions by approximately 60% per bottle\*

\*When switching from regular PET bottles to bottles with 100% recycled PET materials

## Design

## Reducing PET plastic usage through package lightweighting

In 1996, a 500 milliliter PET bottle for Coca-Cola's water brand in Japan weighed 32 grams. Launched in 2009, the bottle for *I LOHAS Natural Mineral Water* had been reduced to approximately 12 grams, which at the time was the lightest in Japan.\* We are continuously looking at opportunities to reduce the amount of PET plastic used in our products while maintaining bottle quality and performance.



\*As of March 2009. Estimate for 500 milliliter PET bottles manufactured in Japan. Coca-Cola (Japan) Company, Ltd. estimate



## Collect

## Partner

## Realizing 100% recycling with Seven & i Holdings

*Hajime Ryokucha* green tea, a product jointly developed with Seven & i Holdings Co., Ltd., has been on sale since June 2019. The product is sold in 100% recycled PET bottles made only from PET resin generated from the recycling of used PET bottles collected from Seven & i Group stores.

By switching to 100% recycled PET bottles, we have achieved a reduction in CO<sub>2</sub> emissions.

100% 再生PET樹脂使用ボトル  
Recycled plastic bottle



# Inclusion

“  
What we  
are doing  
”

- ▶ Setting an inspiring example of an inclusive workplace culture
- ▶ Nurturing the talents of our diverse workforce—and engaging with the needs of our communities



| Inclusion      |
|----------------|
| Gender         |
| Age/Generation |
| Disabilities   |
| LGBTQ          |



## ▶ Progress against CSV Goals

Since we already achieved our 2025 goal of 6% female managers in 2021, we have set a new goal of 20% by 2030. We are promoting initiatives to provide a workplace environment and support systems to foster a CCBJH organizational culture where every employee can independently build a career where they can shine.

## Diversity and inclusion initiatives

The CCBJH Group has made the promotion of diversity and inclusion (D&I) as one of its key management priorities. We are building a diverse workplace that meets the various needs of our business environment, reflects our shoppers and consumers, and supports the Group's sustainable growth. At the same time, we want to create a workplace

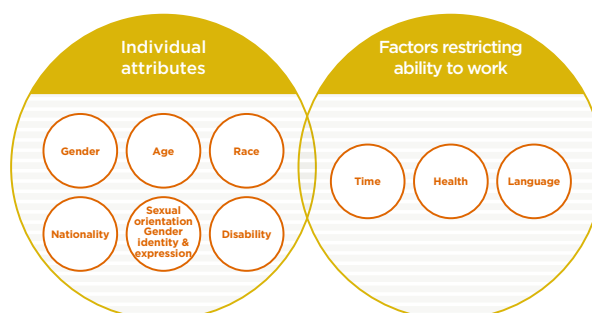
where each and every one of our employees, who come from a wide range of backgrounds, can demonstrate their abilities without losing their desire to improve.

We also promote diversity at the management level by welcoming differences in background such as nationality, gender, age, and experience in the Board of Directors and by considering and making decisions on issues from various perspectives.

## Medium- to Long-term Vision for Diversity and Inclusion

By respecting the diversity of our workforce, we will provide opportunities to enable all employees to leverage their full potential, regardless of gender, age, disability, race, nationality, sexual orientation, and other attributes, such as gender identity and expression, and unaffected by factors that could restrict their ability to work.

**Providing opportunities for all employees to leverage their full potential, regardless of individual attributes and unaffected by factors that could restrict their ability to work.**



Main inclusion initiatives  
<https://en.ccbji.co.jp/csv/inclusion/>





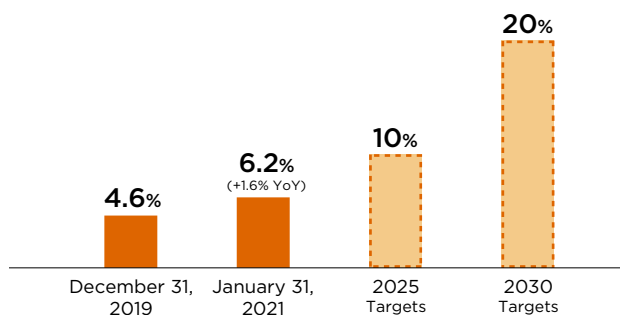
## Initiatives to encourage women's success in the workplace

### ● Updated target ratio for female managers to 20%

The CCBJH Group is promoting the active participation of women out of respect for the individuality of each one of its employees, and in order to continue to generate innovation by incorporating diverse values and ideas. Within the CCBJH Group, there are many female employees who give up returning to work or miss out on career advancement opportunities due to reasons such as taking maternity or childcare leave and family-related time constraints, which are unrelated to motivation or work ability. CCBJH Group is creating an environment in which all employees, regardless of gender, are able to maintain a balance between work and family care, and to foster an organizational culture that supports employees' individual career development needs.

In order to increase the ratio of female managers, we are promoting a workplace culture and support system to help increase the number of female employees who proactively choose to drive results and advance their careers. In January 2021, we achieved our initial target of 6% female managers by 2025 ahead of schedule. We have set new targets of 10% female managers in 2025 and 20% in 2030.

#### Target ratios for female managers



## Revised company regulations to provide equal opportunities for members of the LGBTQ community

As an initiative to promote diversity and inclusion (D&I), the CCBJH Group amended the definition of "spouse" in the company regulations (Employment Regulations, etc.) in January 2020 to provide equal opportunities for employees with diverse lifestyles, including LGBTQ employees. This allows all employees to take advantage of welfare benefits, such as childcare leave and family care leave, regardless of the gender of their partners or their marital status. We also amended our Human Rights Policy and D&I Policy to include gender identity and expression in addition to sexual orientation. Furthermore, we provide e-learning programs for all employees in an effort to expand people's awareness throughout the organization.

In December 2020, we announced our endorsement of Business for Marriage Equality (BME), a campaign calling for companies to support marriage equality. BME works to raise the visibility of companies that support the legalization of same-sex marriage (marriage equality) in Japan.



Business for Marriage Equality

In addition, our LGBTQ-related initiatives received the highest gold ranking in our first application to be recognized in the PRIDE INDEX 2019 program, which is an assessment by the "work with Pride" (wwP) organization.

## Programs to nurture next-generation leaders

CCBJI established Coca-Cola University Japan (CCUJ), its comprehensive program to nurture next-generation leaders, to develop employees who will drive the transformation and future growth of the Coca-Cola system in Japan. Through collaboration with The Coca-Cola Company, CCUJ will also serve as a foundation to organize global leadership training courses and overseas study programs aimed at developing competent and capable employees who will share their enriched knowledge extensively with Coca-Cola bottling partners around the world.

In addition, the Global English Transformation (GET) English language proficiency program not only allows employees to gain knowledge from overseas, but it also supports their English-speaking ability to support their advancement in the company. We are aiming to develop employees who can play an active role globally by linking these efforts to the revitalization and growth of the entire organization.



## Platform

# Communities

### What we are doing

- ▶ Continuing our legacy of partnering with communities where we live and work to support diverse needs and ambitions.
- ▶ Harnessing the potential of communities and driving action on our core platforms



#### Communities

- Drive impact through two national platforms (Inclusion and Resources)
- Initiatives that are sustainable and additionally have local relevance



### Progress against CSV Goals

Our efforts in partnering with communities have achieved various milestones such as completion of the Hiroshima Plant tour facility, receiving the Prime Minister's Award for the greening of our Ebino Plant, and our women's field hockey team winning three championships in Japan. Furthermore, to explore new ways of communicating with our communities we held Virtual Plant Tours and online seminars.

#### Company sports

### Energizing communities through sports

The CCBJH Group manages the Coca-Cola Red Sparks men's rugby team and the Coca-Cola Red Sparks women's field hockey team. Both teams not only deliver game-day thrills to a large number of local fans, but also proactively participate in local events as part of building vibrant communities.

A member of the Japan Rugby Top Challenge League, the Coca-Cola Red Sparks team is based in the city of Fukuoka. In 2020, while many games and events were cancelled due to the impact of the COVID-19 pandemic, we undertook new initiatives, such as releasing videos created by the players and coaches with exercises that people could do at home to help them stay healthy and compensate for the lack of exercise associated with staying at home.

The Coca-Cola Red Sparks women's field hockey team is based in Hiroshima and is a member of the Hockey Japan League (HJL). Amid the restrictions placed on practices and games, the women's field hockey team won three major domestic championship titles\* for the first time since the team was formed. The team has received numerous awards from local governments and regions for its achievements, including both the Hiroshima Prefecture Governor's Physical Education and Sports Award, and the Hiroshima Citizens Award (2020).

\*42nd All-Japan Women's Hockey Company League, the HJL Takamado-miya Memorial Cup for 2020, and the 81st All-Japan Women's Hockey Championship



Online exercise videos for people staying at home



Note: Rugby team to terminate its activities at the end of 2021. We would like to express our heartfelt gratitude to all of you who have given us your support.



For the first time, the women's field hockey team won three annual domestic titles



#### Main communities initiatives

<https://en.ccbji.co.jp/csv/community/>





Supporting the environment

## Ebino Plant receives Prime Minister's Award in 2020 for promoting the greening of business sites

The CCBJI Ebino Plant (Ebino City, Miyazaki Prefecture) received the Prime Minister's Award in 2020, which is granted to individuals and organizations who have demonstrated outstanding contributions in promoting the greening of business sites.

An important production and logistics base in the southern Kyushu area, the Ebino Plant is a park-based facility in harmony with the rich, natural environment. The plant and its grounds attract as many as 150,000 visitors annually, including 70,000 visitors for our plant tours. In the plant's water source area, we have concluded agreements with Ebino City and local forestry associations to carry out forest conservation activities and promote the protection of water resources. This award is normally presented at the Ceremony of awarding the MIDORI Prize (hosted by the Cabinet Office), which is held in April each year. However, the ceremony was cancelled to prevent the spread of COVID-19, and an award presentation ceremony was held at the Miyazaki prefectural government's office in November 2020.



Support for addressing challenges

## A collaborative program to address community challenges

In Miyagi, Fukushima, Mie, and Miyazaki prefectures, the CCBJH Group is supporting initiatives designed to help solve regional issues. Based on collaboration between industry, government, academia, and nonprofit organizations—for example, regional administrations, educational institutions, and municipal organizations—the initiatives are conducted through a variety of projects, such as youth-led workshops, activity presentations, and awards systems.

The event "Connecting us with society through happiness: SDGs Workshop Mie Mirai" was held beginning in 2018 as a collaboration among Mie Prefecture, Dr. Masao Aoki's research lab (Faculty of Humanities, Law and Economics, Mie University), the nonprofit organization M Bridge, and CCBJI. In this event, participants sought ideas to increase Mie Prefecture's attractiveness and solve its problems through dialogue, and envisioning a happy future. We will continue to provide opportunities for interaction and creativity so that local communities can take the initiative in solving problems in local communities.

Comprehensive support

## Partnering with local governments to address regional issues

The CCBJH Group supports emergency product supply agreements and tourism promotion agreements with local governments and organizations within its sales areas in order to strengthen collaboration with these important partners and stakeholders. The Group is also continuing to install regional support vending machines within its sales areas to create value in the region through its core beverage business.

### Emergency agreements

We have concluded emergency agreements in preparation for large-scale disasters across our sales areas. These agreements are to ensure that people impacted by an emergency can rapidly access drinking water, so we will prioritize water supply to emergency shelters and provide residents with beverages free of charge from vending machines. As of the end of 2020, we had agreements with 1,059 local governments and organizations.

Disaster agreements with local governments and organizations

1,059

### Tourism promotion agreements

We have concluded tourism promotion agreements with local governments such as in Chiba, Kanagawa, Saitama, and Kyoto prefectures, for the purposes of promoting tourism in the region.



Based on these agreements, we are developing Coca-Cola bottles with unique designs in each region and carrying out initiatives that include donating a portion of the sales proceeds.

### Community support vending machines

We are promoting the installation of community support vending machines with unique illustrations at sightseeing locations and tourist attractions within sales areas. A portion of the sales proceeds of The Coca-Cola Company's products from these support vending machines is donated to local governments and NPOs in those areas and is used to fund activities like regional revitalization and community development.



# Platform Resources

“  
What we  
are doing  
”

- ▶ Driving continuous improvement in the sustainable use of resources
- ▶ Supporting the environmental conservation of our country



| Resources                |
|--------------------------|
| Packaging/PET            |
| Water                    |
| Greenhouse gas emissions |
| Renewable energy         |



## ▶ Progress against CSV Goals

We are making steady progress toward realizing a World Without Waste with the cooperation of the Coca-Cola system in Japan. In addition to implementing business solutions and projects for our bottle-to-bottle resource recycling initiative—in collaboration with local governments, companies, and beverage industry groups—we are making progress beyond our goals for water resource replenishment by entering into new agreements with local communities in our plants' water resource areas, and through ongoing cooperation.

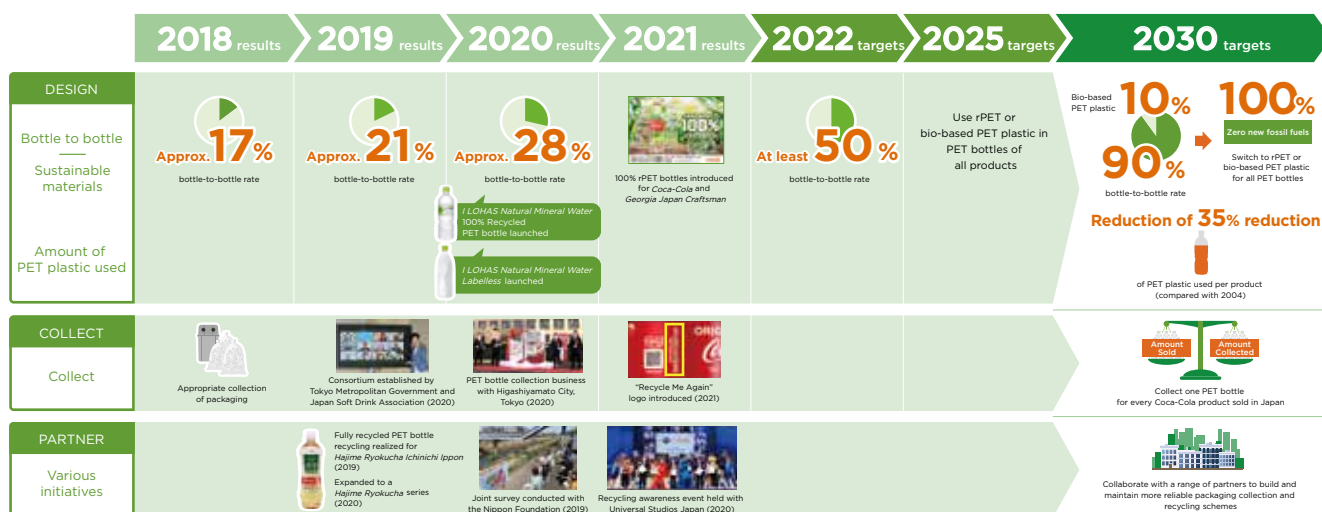
Resource recycling

## Initiatives for realizing a World Without Waste

The Coca-Cola system in Japan is promoting initiatives centered on the three elements of design, collect, and partner to realize the global World Without Waste vision

advocated by The Coca-Cola Company. Unique packaging targets for the Coca-Cola system in Japan include: the use of sustainable materials, such as recycled PET, in all PET bottles by 2025; recovering a volume of PET bottles equivalent to that of the products sold in Japan by 2030; and the building of stronger packaging collection and recycling schemes in collaboration with partners.

## 2030 Packaging Vision of the Coca-Cola System in Japan—Roadmap and Results (Updated March 2021)



Main resources initiatives

<https://en.ccbji.co.jp/csv/environment/>



Design

## Expansion of labelless products

In August 2020, the Coca-Cola system began selling labelless *Ayataka*, *Sokenbicha*, and *Canada Dry The Tansan Strong* products exclusively through major online shopping channels. By introducing these labelless products that are both environment friendly and easier to recycle, we are responding to the increased consumption rates in homes while contributing to reducing the impact on the environment.



Collect

## PET bottle collection business with Higashiyamato City, Tokyo

In October 2020, CCBJI and Higashiyamato City, Tokyo, concluded a comprehensive collaboration agreement for community revitalization and, as part of that agreement, started to work jointly on a PET bottle collection venture. We will promote the bottle-to-bottle initiative to collect and recycle used PET bottles to be turned into new PET bottles, while collaborating on, for example, the installation of automated PET bottle collection machines across the city.



Collect

## Recycling pilot project with Welcia Holdings

In September 2020, CCBJI and Welcia Holdings Co., Ltd. embarked on a pilot project for the purpose of creating a bottle-to-bottle recycling model to turn PET bottles collected at Welcia drugstore locations into raw material for new PET bottles. For this project, collection boxes have been installed at 11 Welcia drugstores in Oyama City, Tochigi Prefecture. CCBJI is responsible for designing and monitoring the whole sequence of recycling processes, from picking up the sorted PET bottles to turning them into recycled raw material, and CCBJI plans to expand the project area and number of stores after a certain period of implementation.



Partner

## Recycling awareness event with Universal Studios Japan™

In September 2020, Universal Studios Japan and its official corporate marketing partners, Coca-Cola (Japan) Co., Ltd. and CCBJI, held a recycling awareness event in the theme park with the cooperation of Osaka City to promote a circular economy for plastic. We created learning opportunities by featuring eco-bags made from PET bottles with original designs, and entertainers performed a show to present the recycling process.



TM & © 2021 Sesame Workshop.  
TM & © Universal Studios.  
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Partner

## Collaborative efforts in the beverage industry

We have endorsed the Japan Soft Drink Association's declaration on the recycling of plastic in the beverage industry—announced in 2018—with the goal of achieving the 100% effective utilization of PET bottles by fiscal 2030, and we are collaborating with our industry peers in initiatives. Part of the bottle-to-bottle Tokyo Project, which was established with the Tokyo Metropolitan Government in 2020, involves conducting trials to, for example, change consumer behavior with regard to sorting recyclables and to prevent anything other than empty bottles from being placed in recycling bins.



Newly designed recycling bin (hole is facing downward)

## TOPICS

### Joint project to recycle PET raw material with Far Eastern New Century (Taiwan)

In July 2020, CCBJI started a joint project with Taiwan's Far Eastern New Century Corporation (FENC), one of the world's largest manufacturers of PET resins and polyester fibers, to commercialize PET bottles that use raw material from chemically recycled\* PET plastic. A portion of the raw material for recycled PET resin used in this project is manufactured by FENC using a new method of chemical recycling. After carrying out pilot sales in CCBJI business areas, we will be looking to commercialize this PET raw material in the future.



\*The process of recycling by returning used resources to their raw material form through chemical treatment.

## Climate change

## Climate change initiatives

In February of 2021, CCBJI began operation of its Saitama Mega Distribution Center, which is one of the largest automated distribution centers in terms of storage and shipping capacity within the Coca-Cola system in Japan. Logistics operations, such as the sorting that had previously been conducted at sales centers, and inventory storage spaces have been consolidated at the Saitama Mega Distribution Center. We are building a network that achieves

timely end-to-end product deliveries from the production site all the way to business partners and vending machines.

The Shinsei logistics network optimization project is driving the strategic transformation of our logistics as a whole by introducing new distribution centers—primarily mega distribution centers and others such as the Hakushu and Kumamoto warehouses—and reorganizing as well as consolidating hub warehouses and sales centers to streamline complex supply chains. Through these efforts, the CCBJH Group is optimizing its supply chain to resolve a variety of issues, such as reducing their environmental impact.



## Renewable energy

## Hakushu Plant's utilization of Furusato Hydropower Plan renewable energy

Since 2019 and the conclusion of a contract for the Furusato Hydropower Plan offered by Yamanashi Power

Plus—a power supply brand jointly operated by Yamanashi Prefecture and TEPCO Energy Partner, Incorporated—our Hakushu Plant has been utilizing hydroelectric power. Through this initiative, we are working to reduce environmental impact by eliminating CO<sub>2</sub> emissions associated with electricity use.

## Initiatives for improvements in the Supply Chain Management (SCM) Division

To nurture employees and produce results, we have put in place an organizational excellence (OE) certification system at SCM headquarters to engage in problem-solving by ranking problems in four stages from small improvements in the workplace to management issues according to the scale of improvement. It has become standard practice for employees to submit I-cards (improvement proposals) for issues they notice during their work and improvement ideas. Last year, 99% of SCM employees submitted one or more I-cards a month. Exceptional I-card proposals are rewarded quarterly and shared with other plants and departments to further enhance the effectiveness of the improvements. In 2020, the I-card Excellence Award in the environment category was won by Takatoshi Aonuma from the Tosu Plant for his proposal to reduce gas consumption by reviewing boiler operations, which assists in terms of both the environment and cost.



Recipient of the I-card Excellence Award in the Environment Category



**Takatoshi Aonuma**  
(now at the Kiyama Plant)

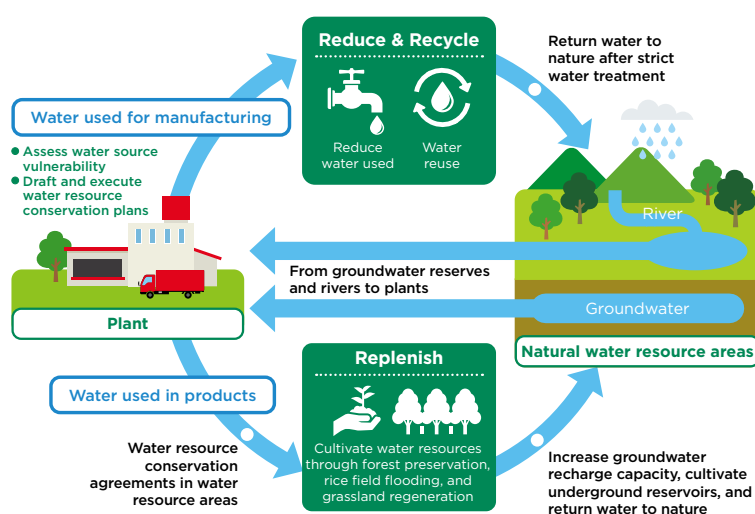


## CCBJI's initiatives regarding water

The Coca-Cola system in Japan considers issues related to water a priority topic to be addressed in its Sustainability Framework. The CCBJI Group is promoting various initiatives with the aim of achieving its own non-financial CSV Goals, which include a 30% reduction in water usage by 2030 (compared to 2015) and maintaining a water source replenishment rate of 200% by 2025.

At our plants, we are working to reduce the amount of

water used and to reuse the water we do use by installing production lines equipped with the latest technology, and by improving the manufacturing processes and plant equipment by monitoring them on a daily basis. With the target of returning to nature a volume of water equivalent to the amount used for manufacturing products at our plants, we have also entered into agreements with local communities and organizations. Alongside members of local communities, we are promoting activities to enhance water source replenishment, which is the ability for the watershed areas supplying groundwater to our local manufacturing facilities to sustainably cultivate and store water.



### Water used for manufacturing

**12,560,322 m<sup>3</sup>**  
(-5.7% year on year)

### Replenishment area

Approx.  
**7,963 ha**  
(+350 ha year on year)

### Water used in products

**3,883,092 kl**  
(-4.8% year on year)

### Replenishment rate

**364%**  
(+13% year on year)

### Water usage per liter of product (WUR: Water Use Ratio)

**3.23 L/L**  
(-0.03 liters per product liter year on year)

### Water resource conservation agreements

**16/17 plants**  
(+1 year on year)

## Entering into agreements for the purpose of water conservation in plants' water resource areas

### ● Hakushu Plant

#### Agreement with Yamanashi Prefecture

Based on a collaboration agreement for the cultivation of water resources, which was concluded in July 2020, CCBJI and Yamanashi Prefecture have commenced collaboration in a variety of activities related to cultivation and effective utilization of water and forest resources. These activities primarily involve promoting water resource cultivation (the conservation of an environmentally sound water cycle) and the provision of information in Yamanashi Prefecture. We are also working to support forest management in 282



hectares of prefectural forest land along the watersheds of the Nagare and Kakubosawa rivers originating on Mt. Amagoi, which makes up the water resource area for CCBJI's Hakushu Plant.

### ● Saitama and Iwatsuki plants

#### Renewal of agreement with Nippon Paper Industries

In December 2020, CCBJI, Nippon Paper Industries Co., Ltd., and Marunuma Kogen Resort Co., Ltd. renewed their three-party agreement with respect to collaborating on forest management for the purpose of water resource replenishment. CCBJI supports the necessary management work, such as tree thinning and road maintenance, in the area (1,746 hectares) in order to maintain the environment of the Saitama and Iwatsuki plants' water resource area.

We are also collaborating on activities geared toward promoting forest management and preservation, as well as



strengthening collaboration with the other parties by exchanging necessary advice and information.



Plant initiatives and water resource area activities  
<https://en.ccbji.co.jp/csv/environment/>



The Coca-Cola "Learn from the Forest" projects  
<https://en.ccbji.co.jp/csv/community/>

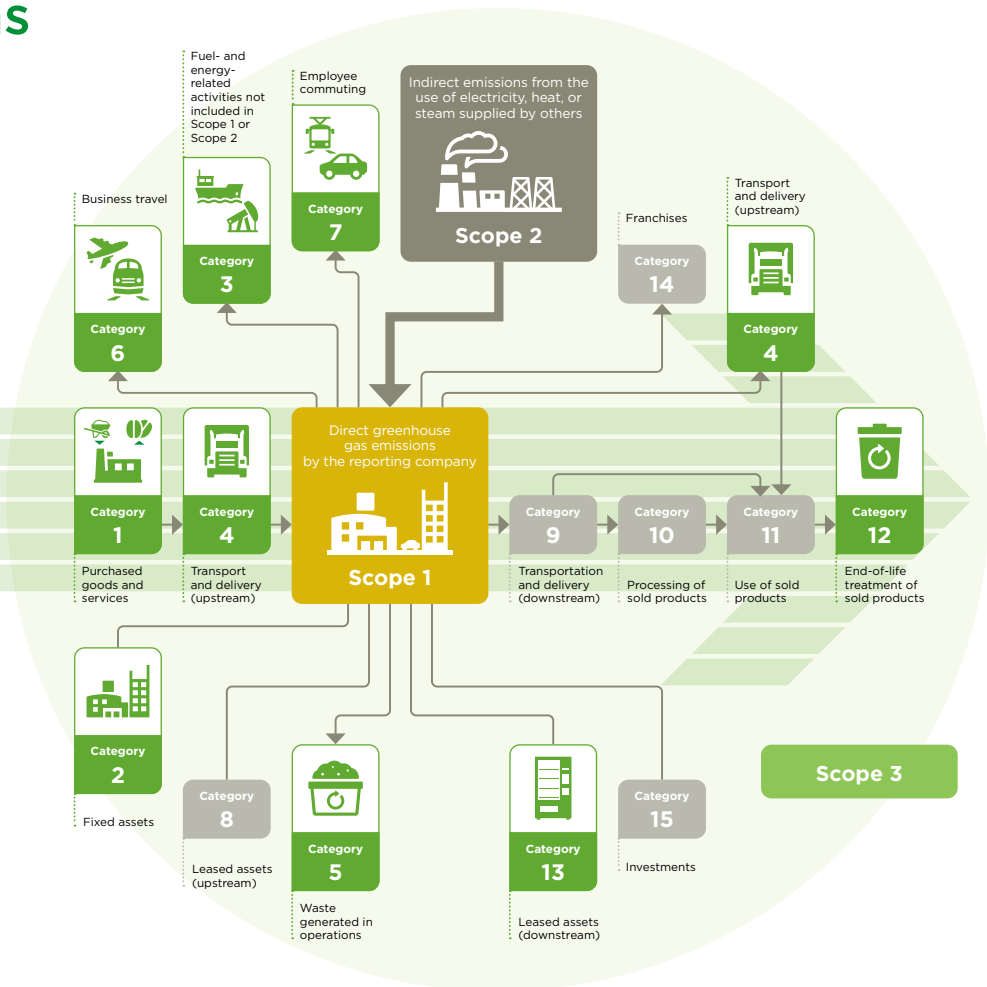


# CCBJH Group's CO<sub>2</sub> Emissions Results and Accounting Methods

We consider the mitigation of climate change a crucial issue to address throughout the course of our business activities. As such, we transparently disclose corporate greenhouse gas emissions, of which CO<sub>2</sub> is a primary example, and share information with our many stakeholders about the overall state of greenhouse gas emissions, potential countermeasures, and other topics in the hope that this will lead to further emissions reduction.

Source: "Supply-chain emissions in Japan," Ministry of the Environment, 2015  
[www.env.go.jp/earth/ondanka/supply\\_chain/gvc/en/files/supply\\_chain\\_en.pdf](http://www.env.go.jp/earth/ondanka/supply_chain/gvc/en/files/supply_chain_en.pdf)

CCBJH Group's scope 1, 2, 3 emissions by source



## Accounting process

|               | Calculation scope  | Accounting method  |
|---------------|--|--|
| Manufacturing | All bottling plants of the CCBJI Group (17 plants) and associated equipment within plant premises, as well as Q'SAI Group's Fukuoka Konominato Plant and Q'SAI Farm Shimane  | <ul style="list-style-type: none"> <li>Total energy use (GJ) = total of (energy use for each energy type × thermal conversion factor*)</li> <li>Greenhouse gas (CO<sub>2</sub>) emissions (thousand t-CO<sub>2</sub>) = total of (energy use for each energy type × CO<sub>2</sub> emissions factor*)</li> </ul> |
| Logistics     | The CCBJI Group's business logistics, including distribution from all CCBJI Group plants (17 plants) to the market (customer retail outlets, vending machines, etc.) and the Q'SAI Group's business logistics, including distribution from the abovementioned plant and farm to the market (customer retail outlets, vending machines, etc.). Also includes third-party (outsourced) transportation. | <ul style="list-style-type: none"> <li>Total energy use (GJ) = total of (energy use for each energy type × thermal conversion factor*)</li> <li>Greenhouse gas (CO<sub>2</sub>) emissions (thousand t-CO<sub>2</sub>) = total of (energy use for each energy type × CO<sub>2</sub> emissions factor*)</li> </ul> |
| Offices       | Buildings operated by the CCBJH Group (head office, sales centers, distribution centers, and plant-associated facilities, etc.)  | <ul style="list-style-type: none"> <li>Total energy use (GJ) = total of (energy use for each energy type × thermal conversion factor*)</li> <li>Greenhouse gas (CO<sub>2</sub>) emissions (thousand t-CO<sub>2</sub>) = total of (energy use for each energy type × CO<sub>2</sub> emissions factor*)</li> </ul> |
| Sales         | Vending machines in operation within CCBJI's sales area  | <ul style="list-style-type: none"> <li>Total energy use (GJ) = annual vending machine electricity use × thermal conversion factor*</li> <li>Greenhouse gas (CO<sub>2</sub>) emissions (thousand t-CO<sub>2</sub>) = annual vending machine electricity use × CO<sub>2</sub> emission factor*</li> </ul>          |

\*Sources for thermal conversion factors and CO<sub>2</sub> emissions factors

For fuel sources other than electricity, the CCBJH Group uses a thermal conversion factor and a CO<sub>2</sub> emissions factor from the Greenhouse Gas Emissions Accounting and Reporting Manual Version 4.7 (Ministry of Environment and Ministry of Economy, Trade and Industry; January 2021).

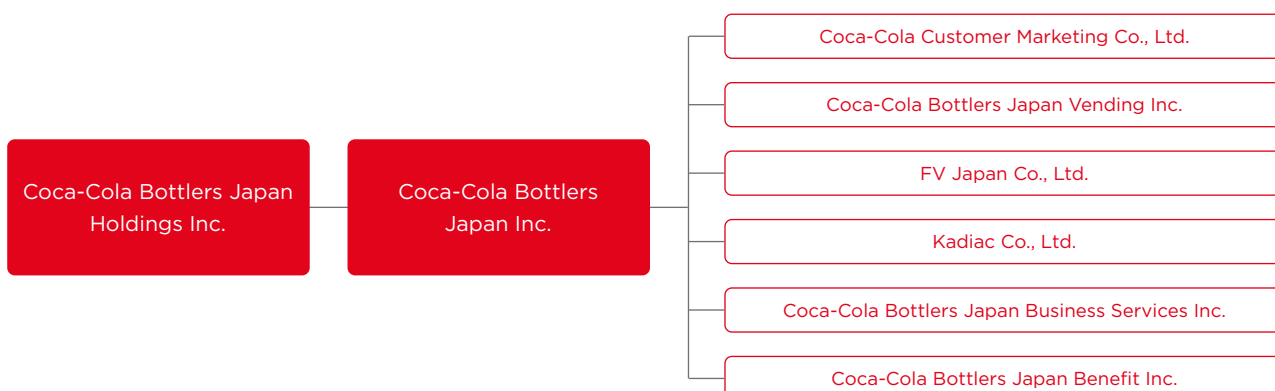
For electricity, the thermal conversion factor is 9.97 MJ/kWh for daytime electricity, as stipulated in Enforcement Regulations for the Law Concerning Rational Use of Energy (revised March 31, 2020), and the adjusted CO<sub>2</sub> emissions factor is 0.470 kg-CO<sub>2</sub>/kWh, from Emissions Factors by Electricity Provider (Greenhouse Gas Emissions Accounting for Specified Organizations) - Results for Fiscal 2019; (Jan. 7, 2021; Ministry of Environment and Ministry of Economy, Trade and Industry).

Note: All shares of Q'SAI CO., LTD were divested on February 1, 2021, but Q'SAI CO., LTD and Q'SAI Group companies' results are still included in the 2020 CO<sub>2</sub> emissions.

## 2020 CO<sub>2</sub> emissions and accounting methods

| Scope                |   | Emissions (t-CO <sub>2</sub> ) |             |                     | Accounting method  |  |
|----------------------|---|--------------------------------|-------------|---------------------|--|--|
|                      |   | CCBJI Group                    | Q'SAI Group | CCBJH Group (total) | Activity data  | Emissions factor   |
| Scope 1              | Direct greenhouse gas emissions by the reporting company                          | 187,599                        | 731         | 188,330             | Amount of fuel used in offices, sales centers, plants, distribution, etc.  | Emissions factor from the Greenhouse Gas Emissions Accounting and Reporting Manual Version 4.7 (Ministry of Environment and Ministry of Economy, Trade and Industry; January 2021)   |
| Scope 2              | Indirect emissions from the use of electricity, heat, or steam supplied by others | 175,289                        | 2,181       | 177,470             | Amount of electricity used in offices, sales centers, plants, etc.   | Adjusted emissions factor of 0.470 kg-CO <sub>2</sub> /kWh from Emissions Factors by Electricity Provider (Greenhouse Gas Emissions Accounting for Specified Organizations) – Results for Fiscal 2019; (Jan. 7, 2021; Ministry of Environment and Ministry of Economy, Trade and Industry) |
| Scope                |   | Emissions (t-CO <sub>2</sub> ) |             |                     | Accounting method  |  |
|                      |   | CCBJI Group                    | Q'SAI Group | CCBJH Group (total) | Activity data  | Emissions factor   |
| Scope 3              | 1 Purchased goods and services  | 965,724                        | 7,460       | 973,184             | Procured raw materials (based on weight)   | The Coca-Cola Company's emissions factors  |
|                      | 2 Fixed assets  | 204,425                        | 394         | 204,820             | Fiscal year increase in amount of fixed assets (net price)   | Emissions factor according to price of fixed assets from the Ministry of the Environment's emissions factor database (Ver. 3.1) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain   |
|                      | 3 Fuel- and energy related activities not included in Scope 1 or Scope 2          | 65,271                         | 431         | 65,702              | Amount of fuel, electricity, heat used   | Emissions factor for fuel procurement from the Ministry of the Environment's emissions factor database (Ver. 3.1) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain   |
|                      | 4 Transport and delivery (upstream)   | 97,491                         | 1,552       | 99,043              | Amount of fuel used for outsourced transportation  | Emissions factor from the Greenhouse Gas Emissions Accounting and Reporting Manual Version 4.7 (Ministry of Environment and Ministry of Economy, Trade and Industry; January 2021)   |
|                      | 5 Waste generated in operations   | 10,325                         | 134         | 10,459              | Waste by weight or disposal fee  | Emissions factors for industrial waste based on an industry input-output model from the Ministry of the Environment's emissions factor database (Ver. 3.1) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain                        |
|                      | 6 Business travel   | 2,166                          | 154         | 2,321               | Employee transportation expenses paid  | Emissions factors for transportation expenses from the Ministry of the Environment's emissions factor database (Ver. 3.1) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain   |
|                      | 7 Employee commuting  | 3,693                          | 185         | 3,878               | Employee commuter expenses paid  | Emissions factors for transportation expenses from the Ministry of the Environment's emissions factor database (Ver. 3.1) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain   |
|                      | 8 Leased assets (upstream)  | N/A                            | N/A         | N/A                 | N/A  | N/A  |
|                      | 9 Transportation and delivery (downstream)  | N/A                            | N/A         | N/A                 | N/A  | N/A  |
|                      | 10 Processing of sold products  | N/A                            | N/A         | N/A                 | N/A  | N/A  |
|                      | 11 Use of sold products   | N/A                            | N/A         | N/A                 | N/A  | N/A  |
|                      | 12 End-of-life treatment of sold products   | 11,473                         | 222         | 11,695              | Reported amount by weight of containers and packaging recycled, according to the Recycling of Containers and Packaging Act | Emissions factors for waste by type and treatment method from the Ministry of the Environment's emissions factor database (Ver. 3.1) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain  |
|                      | 13 Leased assets (downstream)   | 352,151                        | 0           | 352,151             | Amount of electricity used by the company's sales equipment (vending machines)   | Emissions from electricity use is calculated by multiplying the annual electricity use of one vending machine by the number of vending machines in operation in the applicable fiscal year. The emissions factor for electricity is 0.470 kg-CO <sub>2</sub> /kWh.                         |
|                      | 14 Franchises   | N/A                            | N/A         | N/A                 | N/A  | N/A  |
|                      | 15 Investments  | N/A                            | N/A         | N/A                 | N/A  | N/A  |
| Scope 3 total amount |   | 1,712,720                      | 10,532      | 1,723,252           |  |  |

## Group Structure (As of February 1, 2021)



## External Evaluations



Dow Jones Sustainability Indices (DJSI)



CDP



ISO: International Organization for Standardization



Food safety management system FSSC 22000



Semi-Nadeshiko 2021



L-boshi



Kurumin



Health & Productivity Management Organization White 500



New Diversity Management Selection 100



SSON Impact Awards Asia



Nikkei Smart Work Management Survey four-star rating



Nikkei SDGs Management Survey



work with Pride



Sports Yell Company



MSCI Japan Empowering Women Index



The Women's Participation Promotion Awards

Also received the Director's Award for Excellence in Disability Hiring in 2019 from the Bureau of Industrial and Labor Affairs Awarded to CCBJH

Note: Awarded to CCBJH and some of its Group companies.

### The full version of CSV Report



For the full version of CSV Report 2021 (PDF), please check our website.



<http://en.ccbji.co.jp/csv/doc.php>

### CSV Report 2021 survey



Please access the survey via the URL below or the QR code.



[https://form.ccbji.co.jp/form/csv2021\\_en](https://form.ccbji.co.jp/form/csv2021_en)

This survey is to aid in the development of our future CSV initiatives and our next CSV Report. Please let us know your thoughts and opinions.

### Coca-Cola Bottlers Japan Holdings Inc.

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#### For inquiries:

Please use the "Inquiries" form on the Coca-Cola Bottlers Japan Holdings Inc. website.

<https://en.ccbj-holdings.com/inquiry/>

