

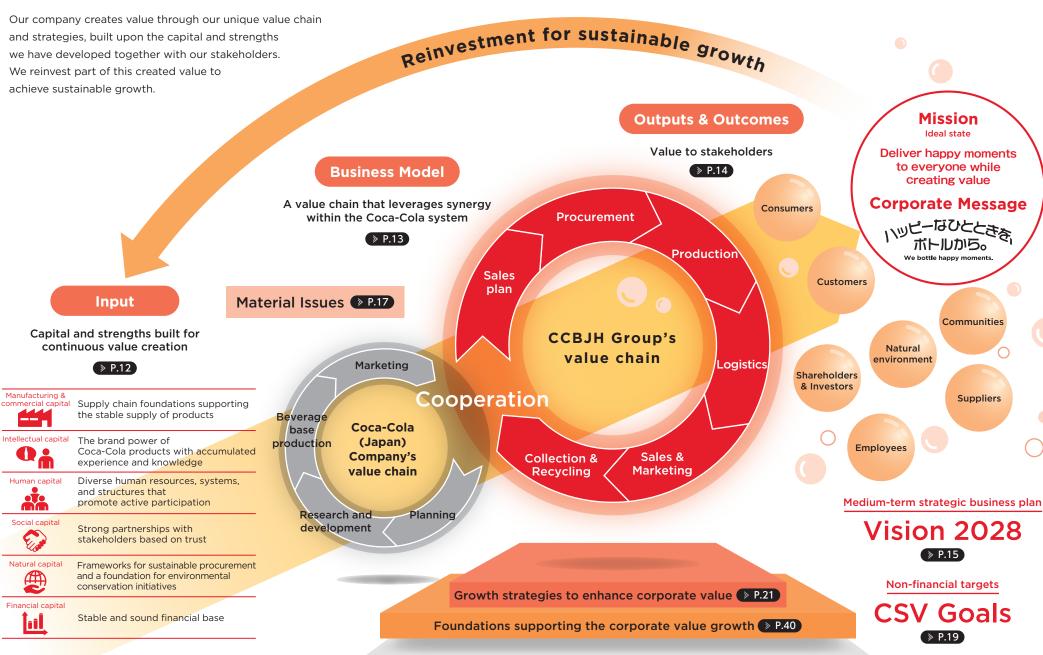
# Value Creation Story

- 11 Value Creation Process
- **5** Strategic Business Plan: "Vision 2028"
- 17 Material Issues
- 19 CSV Goals
- **20** Coca-Cola System



Value Creation Process Introduction Value Creation Story Growth Strategies to Enhance Corporate Value Foundations Supporting the Corporate Value Growth Data Section

### **Value Creation Process**



## **Details of Value Creation Process: Inputs**

Our unique capital and strengths enable continuous value delivery, and reinvestment fuels sustainable growth and strengthens our capital.

#### Inputs

	Descriptions of capital	Principal capital*2	Improvement measures
Manufacturing & commercial capital	Supply chain foundations supporting the stable supply of products  A system capable of supplying approximately 500 million cases annually across around 40 diverse brands.  Through robust management practices, we have built a resilient foundation that can effectively adapt to change.	Plants————————————————————————————————————	State-of-the-art manufacturing and logistics facilities DX to accelerate automation Improvement of end-to-end processes Strategic marketing investments focused on profitability and ROI Strategic installation of vending machines in high-potential locations
Intellectual capital	The brand power of Coca-Cola products and our accumulated experience and knowledge The Coca-Cola brand, beloved worldwide for over 135 years, is valued at 61.2 billion US dollars (approximately 9.2 trillion yen).*1 Leveraging a global network of bottlers and partner companies to deliver products tailored to the preferences and tastes of consumers in each region.	Brands in Japan  Collaboration with The Coca-Cola Company and the Coca-Cola (Japan) Company Cooperative framework with about 200 bottling partners worldwide	Collaborate globally centered on the Coca-Cola brand Improve customer-oriented marketing capabilities Increase ability to develop products suited to customers' diverse preferences
Human capital	Diverse talent and structure to promote active participation  An organizational structure that simultaneously strengthens both talent and organizational capabilities while fostering a culture that promotes employee well-being.	Number of employees  (Including approximately 1,800 female employees)  Wage gap between male and female employees  Percentage of female officers  44.4%* Employment rate of people with disabilities  2.59%	Entrench a performance-focused culture     Develop human resources that drive transformation     Enhance employee well-being and implement health and productivity management     Promote active participation of diverse human resources     Secure on-site workforce for the continuity of the business
Social capital	Strong partnerships with stakeholders built on trust Cooperative and collaborative frameworks that build relationships with diverse stakeholders, including community contribution activities with customers, SDG seminars for local communities, and donation initiatives through food banks.	Sales areaTokyo, Osaka, Kyoto and 35 prefectures Number of customer outlets	Form strategic partnerships with key customers     Expand collaboration with environmental organizations and industrial associations
Natural capital	Frameworks for sustainable procurement and environmental conservation  A framework for sourcing raw materials with a focus on sustainable procurement. A system that sustainably conserves water resources through activities such as water replenishment.	Coffee & green tea leaves compliant with PSA*5 Water replenishment areaAbout 8,224 ha Water replenishment*6 rate396%	Sustainable conservation of water resources     Conserve forests, grasslands and other water source areas, and ecosystems     Enable the entire Coca-Cola System to collaboratively reduce environmental impact on a global scale
Financial capital	Stable and sound financial base  A sound and stable financial base with a decisive financial structure to execute strategic investment measures.	Equity ratio	Improve ROIC through profit growth and increased capital efficiency Implement profitability-focused initiatives to maximize return on investment Implement measures to optimize the balance sheet

<sup>\*1</sup> Source: Interbrand: Best Global Brands 2024 (using average during the period of 151) \*2 For items where the target period is not specified, the figures represent the full year of 2024 or the results as of the end of December 2024. \*3 Abbreviation for distribution center, a large-scale automated center aimed at optimizing the distribution network \*4 As of March 26, 2025 \*5 Principles for Sustainable Agriculture (PSA): The sustainable agricultural principles of Coca-Cola System reflecting the latest science and the perspectives of stakeholders. These principles apply to agricultural products and packaging materials. \*6 Initiatives of returning an equivalent amount of water to nature as we use in manufacturing our products.

### **Details of Value Creation Process: Business Model**

Through strong collaboration with Coca-Cola (Japan) Company, we deliver products tailored to customer needs. We manage the entire value chain seamlessly—from sales planning and raw material procurement to production, logistics, sales and marketing, and finally, collection and recycling—creating new value at every stage.

#### **Business Model (Value chain)**



#### Sales plan

We monitor market conditions and develop sales plans based on our strategy. We create highly accurate supply-demand planning through our Sales and Operations Planning (S&OP) process. We link our manufacturing and logistics capacity to our inventory policy to ensure both the stable supply of products to customers while also reducing transportation costs.

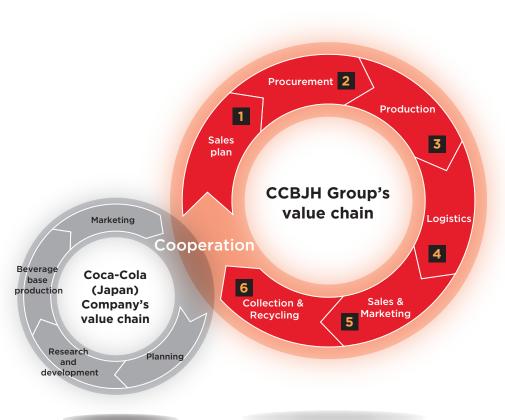
### 2 Procurement

To conduct efficient procurement activities, we share best practices with the Cross Enterprise Procurement Group (CEPG\*!) and overseas bottlers. We also strengthen collaboration with domestic bottlers through joint procurement initiatives. We also continue to advance sustainable procurement efforts, contributing to the achievement of our non-financial goals.

### 3 Production

To achieve flexible, high mix, small-lot production, we are enhancing productivity across all 17 of our plants by introducing state-of-the-art manufacturing technologies and using monitoring systems to improve processes and equipment. We also manage operations through our proprietary KORE\*2 management system, ensuring consistent quality control and ongoing quality improvement.

<sup>\*2</sup> The Coca-Cola System's proprietary, globally standardized management system. It meets the requirements of ISO standards and relevant laws and regulations concerning quality, food safety, environment, and occupational health and safety, while also enforcing stricter internal standards.



### 4 Logistics

We have established a stable and efficient supply system to ensure timely and accurate product delivery to customers. Key to this system are our Mega Distribution Centers (automated logistics centers) in Saitama and Hyogo Prefectures, which enable centralized inventory management and optimal product allocation as part of a streamlined logistics network.

#### 5 Sales & Marketing

Leveraging the strength of the Coca-Cola brand, we develop strategies for each sales channel and product category, executing sales and marketing activities aligned with these strategies. We offer products tailored to customer needs and characteristics, while conducting focused sales activities that prioritize profitability.

### 6 Collection & Recycling

We work to minimize our environmental impact by collecting and recycling waste generated at each stage of the product life cycle wherever possible. Our initiatives include reducing waste from production, minimizing product disposal loss through inventory control, horizontal recycling of empty containers, and adopting environmentally friendly packaging materials.

<sup>\*1</sup> Cross Enterprise Procurement Group. The Coca-Cola System's global procurement organization, which aims to optimize cost and quality leveraging the scale advantages of global procurement.

## **Details of Value Creation Process: Outputs & Outcomes**

We create value across the entire value chain and generate tangible outputs. By meeting stakeholder expectations through these outcomes, we aim to deliver continuous value and fulfill our mission.

> **Outputs** Outcomes

#### **Results for FY2024**

Revenue	<b>892.7</b> billion yen (+2.8% YoY)			
Sales volume	501 million cases (+2% YoY)			
Business income	12.0 billion yen (+10.0 billion yen Yo			
Revenue per case by sales channel	+7 to 59 <sub>yen (YoY)</sub>			
Transformation savings	+5.7 billion yen (YoY)			
Annual dividend per share	<b>53</b> yen			
Percentage of female managers	<b>9.2</b> % (up 1.8 points YoY)			
Percentage of male employees taking childcare leave	103.8 100% goal to be reached by 2025*1			
Greenhouse gas emissions				
Scope 1 and 2 Scope 3	Reduce GHG emissions by 50% in Scope 1 and 2, and by 30% in Scope 3 by 2030 (both compared to 2015 levels)			
Community program participants*2	1.05 million people (+80,000 YoY)			

<sup>\*1</sup> The percentage of male employees taking at least one day of childcare leave. Calculated in accordance with the law, using the method stipulated by the regulations. See note 7 on page 4.

<sup>\*2</sup> Community programs are events independently or jointly organized by Coca-Cola Bottlers Japan Holdings or events in which Coca-Cola Bottlers Japan Holdings directly communicates with participants, delivering a lecture, or the equivalent independently.

	Principal means of engagement	Value offered
Consumers	Provide high-quality and services Website and social media	Fostering wellness by providing high-quality products and services that enrich daily life along with new occasions to enjoy beverages and refreshment
Customers  • Communication through Commercial activities • Regular customer satisfaction surveys  • Opinion exchange meetings with management • Company-wide town hall meetings • Employee surveys • Corporate intranet  • Audits guided by the Supplier Guiding Principles (SGP audits) • Supplier assessments by EcoVadis  • Communities  • Communities		Contributing to the creation of economic, social, and environmental value for customers through expansion of business opportunities and collaboration
		Improving engagement through systems and work environments that facilitate employee growth to reach their full potential, as well as through the formation of autonomous organizations
		Achieving sustainable business growth by building constructive and collaborative relationships
		Achieving sustainable development of local communities through collaboration for regional economic growth and community building
Natural environment	Development and promotion of environmentally friendly products     Dialogues with environmental conservation organizations	Mitigating environmental impact by raising consumer awareness and fostering a responsible recycling system and circular economy
Shareholders/ Investors	General Meeting of Shareholders Quarterly earnings presentations IR/SR meetings Increase of earnings and shareholder returns Disclosure of information on the website	Efforts to increase earnings and shareholder returns and engage with shareholders and investors to increase corporate value

Introduction

## Strategic Business Plan: "Vision 2028"

#### Five-Year plan focused on profitability and capital efficiency

In August 2023, we announced "Vision 2028," a five-year strategic business plan that runs through 2028. We have continuously worked towards achieving profitable growth and building a cost structure resilient to change, leveraging the business foundation established through transformation efforts and insights gained in a rapidly changing market environment. Our targets for 2028 include both a business income margin and ROIC of 5% or more, supported by 2-3% annual revenue growth and cumulative cost savings of 25 to 35 billion yen from transformation. In November 2024 we announced a comprehensive shareholder return program and revised our dividend policy from a stable dividend approach to one that incorporates an ambitious plan of dividend increases through 2028. Our targets include achieving a dividend payout ratio of 40% or more and a dividend on equity (DOE) ratio of 2.5% or more by 2028. Throughout 2024, we steadily delivered results across key measures and remained on track with all performance indicators outlined in "Vision 2028."

2028 Targets*1	
Top Line	Revenue growth: +2-3% CAGR Sales volume growth: +0.5-1% CAGR
Business Income	Business income margin: 5% or more 45-50 billion yen
Transformation Savings	25-35 billion yen
Capital Expenditure* <sup>3</sup>	Annual Average: 30-35 billion yen
ROIC	<b>5</b> % or more
	Updated targets from the stable dividend policy set at the time of announcement, to further increase shareholder value
Shareholder Returns	<ul> <li>✓ Dividends paid under a progressive dividend policy</li> <li>◆ Dividend payout ratio: 40% or more</li> <li>◆ 2028 DOE: 2.5% or higher</li> <li>✓ Consider measures to improve shareholder return as needed.</li> </ul>
	including further share buybacks

## 2024-2028 Profitable growth and a cost structure resilient to change

- Profitability-focused commercial strategy
- Supply chain optimization
- Operational process optimization
- Financial strategy with ROIC focus
- Strengthen ESG and human capital management
- Realize growth through the foundation built
- O Drive further transformation
- Achieve historically high business income in 2028

2024 Results*2	
Top Line	Revenue growth: +2.8% CAGR Sales volume growth: +2% CAGR
Business Income	12.0 billion yen
Transformation Savings	5.7 billion yen
Capital Expenditure* <sup>3</sup>	29.7 billion yen
ROIC	<b>1.4</b> % (up 1.1 pts vs. previous year)
Shareholder Returns	<ul> <li>✓ Announced a comprehensive shareholder return program</li> <li>Revised dividend policy</li> <li>Started share buyback (up to 30 billion yen)</li> <li>Cancelled treasury shares (23,000,000)</li> <li>Increased dividend (up 3 yen per dividend)</li> </ul>

<sup>\*1</sup> The increased target is compared to full-year forecast for 2023 (announced in February 2023)

<sup>\*2</sup> Changes are versus the previous year

<sup>\*3</sup> Capex not including IFRS16 non-cash items

Introduction

#### Pillars of our strategy to achieve "Vision 2028"

Under "Vision 2028," we aim to achieve profitable growth and build a cost structure that is resilient to change. Our strategy is focused around three pillars: commercial excellence, supply chain optimization, and back office and IT optimization. These pillars are supported by foundational strategies in ESG, human capital, and finance. On the commercial front, we are executing appropriate, targeted growth strategies by channel, ensuring profitability-focused commercial activities (including flexible pricing strategies), transforming vending channels, and investing in growth with an emphasis on ROI and ROIC. We are also optimizing end-to-end supply chain processes and building a foundation for back office and IT functions to promote data-driven management. Furthermore, by promoting ESG management, human capital management, and enhancing our financial foundation, we are aiming to not only achieve our business profit targets, but also to improve ROIC and sustainably increase shareholder value.

"Vision 2028": Sustainable, Profitable Growth

## Aiming for profitable growth and building a cost structure resilient to change

## Commercial **Excellence**



- Product strategies in line with trends
- Appropriate growth strategies by channel
- Profitability-focused commercial activities
- Vending transformation

## **Supply Chain Optimization**



- Agile logistics
- Building flexible manufacturing structure
- End-to-end integration
- Leveraging digital technology

**Back Office** and IT **Optimization** 



- Promote data-driven management
- Efficient administrative and business operations

Enhance: ESG / Human Capital / Financial Foundation

Introduction

## **Identifying Material Issues**

We see Creating Shared Value (CSV) as the foundation of our sustainability strategy. Our aim is to create economic value through business growth while delivering social value by addressing societal issues. Since identifying our material issues in 2023, we have continued to review their relevance while monitoring for new issues that may arise with changing social conditions.

#### Recognizing the current status

To fulfill our mission to "Deliver happy moments to everyone while creating value," we established a group-wide, cross-divisional project team to identify our material issues. We began by categorizing social issues and identifying our priorities, referring to key issues recognized across the Coca-Cola System in Japan and drawing on a wide range of resources. These included industry issue surveys, ESG reporting guidelines (GRI, SASB), ESG rating agency reports (MSCI, FTSE), ISO 26000, and government reports. We also incorporated insights from external consultants' reports and findings from benchmark surveys that include interviews with consumer groups, retailers, NPOs, academic bodies, ESG investors, and other external stakeholders.

#### Identifying material issues

The project team assessed the identified issues based on their level of importance. From these findings, they grouped and organized issues, conducted social axis evaluations, and drafted a proposal outlining our material issues. An internal evaluation followed, including document analysis to ensure the proposed material issues were comprehensive and appropriate. The team also deliberated draft definitions for each issue. Through this process, we identified and defined 13 material issues specific to our Group, covering the three environmental, social, and governance areas.

#### Creating a map of material issues

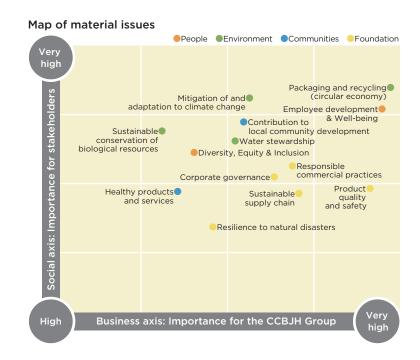
To evaluate our 13 material issues, we conducted interviews and surveys with ESG investors, NGOs, local governments, management, and employees. We then assigned scores based on their input. For the social axis, we evaluated stakeholder importance using expert opinions and report analysis. For the business axis, we evaluated importance to the Company based on feedback from management and employee surveys. These evaluations were used to create a materiality map. Among the 13 issues, we recognize "packaging and recycling (circular economy)," "mitigation of and adaptation to climate change," and "employee development & Well-being" as particularly important.

#### Confirming appropriateness and ongoing review

Growth Strategies to Enhance Corporate Value

Based on feedback from stakeholders, our Board of Directors, Executive Leadership Team (ELT\*), and Sustainability Committee regularly discuss how to respond to changes in the external environment, as well as newly identified social issues. The group also reviews the relevance of our existing material issues and consider the need to recognize new ones. By continuing these discussions, we aim to realize Creating Shared Value and achieve the goals of our strategic business plan, "Vision 2028."

\* An abbreviation for Executive Leadership Team, referring to the management organization within the CCBJI Group, including the CEO and function heads



**Material Issues** Introduction Value Creation Story Growth Strategies to Enhance Corporate Value Foundations Supporting the Corporate Value Growth Data Section

### **Our 13 Material Issues**

To identify the 13 material issues specific to our company we first created a list of issues based on the results of a social axis survey. We then refined definitions through analysis of internal materials. Drawing on input from a cross-divisional project team, we examined the granularity definitions of each issue to develop our own company-specific definitions for material issues. These were then categorized into four major groups: People, Natural environment, Communities, and Foundation. This process clarified the material issues critical to our sustainable growth and allowed us to prioritize efforts to address these issues. Our material issues recognize the importance of and alignment with the Sustainable Development Goals (SDGs), and through our initiatives, we aim to contribute to their achievement.

	CCBJH Group's material issues	Definition	SDGs	Page
People	Employee development & Well-being	We believe that employees are important assets in conducting sustainable business. Therefore, in our human resource development system, we work to create a workplace environment that maximizes and develops the potential of each employee. We focus on our employees' safety and their physical and mental well-being by measures such as enhancing their work-life balance.	3 MANUAL 4 CONTY CONTY OF CONT	≫ P. 42-44
Pec	Diversity, Equity & Inclusion	We foster a culture that respects human rights, diversity, and fairness, and create an environment where each individual can maximize their abilities regardless of gender, age, disability, race, nationality, sexual orientation, gender identity or expression, or other attributes throughout the value chain.	5 mm	» P. 45
Natural environment	Packaging and recycling (Circular economy)	We will work on activities such as light-weighting, horizontal recycling, and waste reduction. By doing so, we contribute to the promotion of recycling of plastic and other materials in Japan.	12 monari beauth of the state o	» P. 47
	Mitigation of and adaptation to climate change	To mitigate and adapt to climate change, we aim to reduce our environmental impact through initiatives throughout the value chain, including the reduction of our greenhouse gas emissions.	7 community 13 colors	» P. 48
	Water stewardship	As a company whose main product ingredient is water, we strive to reduce, reuse, and properly treat water used in manufacturing. We also work with local communities to conserve water resources in a sustainable manner to pass on abundant water resources to future generations.	6 MINIARIUM PRINCIPIN PRIN	» P. 49-51
	Sustainable conservation of biological resources	We conserve biodiversity and achieve sustainable business by recognizing and reducing the impact on the natural environment and ecosystems while making business decisions.	14 manum 15 manum 15 manum • • • • • • • • • • • • • • • • • • •	≫ P. 52
ommunities	Healthy products and services	We contribute to consumer wellness by providing high value-added products and services that contribute to the maintenance and promotion of health and nutrition.	3 менцир	» P. 56
Commu	Contribution to local community development	Based on collaboration and communication with local communities and other stakeholders, we engage in activities aimed at developing sustainable local communities and solving social issues. Through our business, we contribute to the revitalization of local economies.	8 timestation and the timestation and the timestation and the timestation and	» P. 57-58
	Product quality and safety	In order to provide safe, high-quality, fresh, and refreshing products and services to our consumers, we implement strict quality systems and processes in all business processes, from raw material procurement, manufacturing, distribution and transportation, to sales and service. In this way, we guarantee and improve the safety and quality of our products.	12 GENERAL GEN	» P. 37
u	Resilience to natural disasters	We strive to build a system and structure that is safe and robust enough to minimize the impact on our business in the event of any injury to employees and damage to facilities for manufacturing, logistics, sales operations, and business sites caused by large-scale natural disasters such as earthquakes and typhoons.	9 HORTE MONTHS	» P. 72
Foundation	Corporate governance	We strive to build and maintain a strong corporate governance structure to improve management soundness and maximize corporate and shareholder value. In accordance with the intent of the Corporate Governance Code, we strive to improve the skill sets of our directors and all employees, pursue an optimal organizational design for our company, and further strengthen our governance.	8 timerations 16 research opens  16 research opens  20 research opens	» P. 59-70
	Sustainable supply chain	We build a sustainable supply chain through the stable procurement of materials and raw materials, addressing human rights and environmental issues in the supply chain, conducting appropriate transactions and responsible procurement.	8 Bookstones  10 House County  12 Months  April 12 Months	» P. 34-35
	Responsible commercial practices	We build our relationships with our consumers by ensuring responsible marketing of our full beverage portfolio, including alcohol, ensuring compliance with all commercial activities in line with laws and regulations. We provide our stakeholders with access to useful and sufficient information on the health and nutrition of our products through easy-to-understand communications.	12 DOMENT DESCRIPTION OF THE PROPERTY OF THE P	≽ P. 33

### **CSV Goals**

Our company established non-financial CSV Goals related to our material issues as part of our commitment to creating a sustainable business and society while achieving our Mission.

#### Our non-financial CSV Goals

To resolve the identified material issues, we established CSV Goals as measurable non-financial targets and are taking action to create a sustainable business and society while achieving our Mission. We are currently pursuing initiatives across the value chain and monitoring progress as we move steadily toward meeting each CSV Goal.

Regarding the material issue of water stewardship, we are strengthening collaboration with local communities by such means as signing water source conservation agreements with forestry associations and local governments in the water source areas of all 17 of our plants. In 2024, our water replenishment rate reached 396%, significantly exceeding the target.

With regard to climate change mitigation and adaptation, we are working to reduce greenhouse gas (GHG) emissions across our entire value chain. Our targets are a 50% reduction in Scope 1 (direct emissions) and Scope 2 (indirect emissions), and a 30% reduction in Scope 3 (other indirect emissions) from 2015 levels by 2030. Our long-term goal is net zero GHG emissions by 2050. We are also actively promoting the use of renewable energy by using hydroelectric power at our plants and purchasing Green Power Certificates, which are issued by thirdparty organizations to certify that electricity has been generated from natural energy sources. In September 2024, we installed our first on-site solar power system under the PPA model\*1 at our Hiroshima Plant (Hiroshima Prefecture). We will continue to increase renewable energy use to support the achievement of our GHG reduction targets.

Levels of achievement	80% or higher 50%-79% Less than 50%
Levels of achievement	(Note) The baseline year is 2015 and the target year is 2025 unless otherwise stated.

Growth Strategies to Enhance Corporate Value

	CCBJH Group's material issues	Category	Target numbers	As of the end of 2023	As of the end of 2024	Levels of achievement
People	Diversity, Equity	Female managers	10%	7.4%	9.2%	
People	& Inclusion	Female managers by 2030	20%	7.4%		
		Sustainable materials*2 usage by 2030	100%	42%	43%	
		Ratio of products using sustainable materials*2 (number of bottles sold)	100%	80%+	80%+	
	Packaging and recycling	Further lightweight PET packaging by 2030 (compared to 2004)	35%	30%+	30%+	
	(circular economy)	Collection percentage compared to sales volume by 2030*3	100%	94.4%	92.5%	
		Extensive partnerships across industry and environmental organizations by 2030		_	_	
Natural environment		Scope 1 and 2 reduction in greenhouse gas emissions by 2030	50%	19%	21%	
	Mitigation of and adaptation to climate change	Scope 3 reduction in greenhouse gas emissions by 2030	30%	25%	27%	
		Net zero in greenhouse gas emissions by 2050		_	_	
		Promotion of renewable energy		_	_	
	Water stewardship	Replenishment rate, focusing on watersheds near our plants	200%	411%	396%	
		Water usage reduction by 2030	30%	20%	23%	
	Healthy products and services	Low and no calorie options for core brands	100%	100%	100%	
		FOSHU/functional product growth (compared to 2016)	300%	226%	347%	
Communities		Front-of-pack calorie label and straightforward nutritional information	100%	100%	100%	•••
	Contribution to local community development	Employee volunteers	10%	20.0%	20.6%	
		Participants in community programs	1,000,000	970,000	1,050,000	
	Sustainable supply chain	Adherence to Supplier Guiding Principles across the CCBJH Group value chain	100%	100%	100%	
Foundation		Sustainable sourcing	100%	100%	100%	
		Observation of The Coca-Cola Company's Responsible Marketing Policy	100%	100%	100%	

<sup>\*2</sup> Recycled PET materials from bottle-to-bottle and plant-derived PET materials

<sup>\*1</sup> Power purchase agreement (PPA) model: A business model in which a PPA provider installs and owns solar power equipment on the roof of a business operator's building, and the business operator purchases the electricity generated.

<sup>\*3</sup> PET bottle collection rate (Source: The Council for PET Bottle Recycling "2024 Annual Report of PET Bottle Recycling")

Coca-Cola System Introduction Value Creation Story Growth Strategies to Enhance Corporate Value Foundations Supporting the Corporate Value Growth Data Section

## As a Member of the Global Coca-Cola System

The Coca-Cola System consists of The Coca-Cola Company and approximately 200 bottling partners worldwide, delivering Coca-Cola and a wide range of beverages to more than 200 countries and territories. This global network, enriched with extensive knowledge and experience, is a critical source of our sustainable growth and competitiveness. Close collaboration within the Coca-Cola System has led to increased synergy, especially in areas such as product innovation, globally standardized operations, and talent exchange.

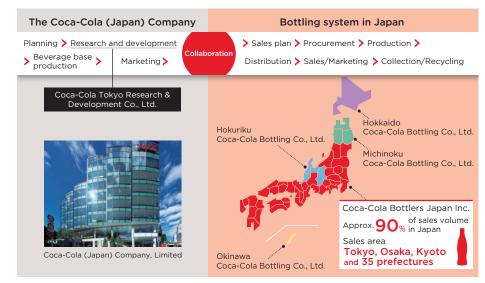
#### Global Coca-Cola System



In 1886, Coca-Cola was born in Atlanta, Georgia. The franchise system established by The Coca-Cola Company allowed other companies to bottle and distribute Coca-Cola, which facilitated its expansion across the United States. In time, franchise businesses established bottling plants in various countries, leading to the worldwide sales of Coca-Cola. The Coca-Cola Company distributes its beverage base to authorized bottling partners in specific sales areas and these bottling partners mix the beverage base with carbonated or distilled water and sweeteners to create a finished beverage, and the finished product is then packaged and sold.



#### The Coca-Cola System in Japan



The Coca-Cola System in Japan is made up of Coca-Cola (Japan) Company, Limited, responsible for supplying beverage bases, overseeing product planning and development, and leading marketing initiatives. Additionally, the System is composed of five bottlers, tasked with the production and distribution of these products. Through strong partnerships with the Coca-Cola (Japan) Company and other system companies, the Coca-Cola System adopts a thoroughly consumer-oriented approach, responds swiftly to market trends, improves customer service, enhances production efficiency, and maintains strict quality standards. We strive together for optimal system-wide performance to drive the further growth of the Coca-Cola business.

The Coca-Cola (Japan) Company supplies beverage bases to bottlers across the country from its base at the Moriyama Plant (Shiga Prefecture). Its role also involves analyzing Japanese market trends and consumer behavior to lead the development and implementation of products and marketing strategies. The company is also responsible for complying with global quality standards, driving technological development in manufacturing processes, supporting new product launches with manufacturing engineering, overseeing supply and demand planning, and offering academic advice on products.

The bottlers ensure the efficient production of safe, reliable, and high-quality products. Each bottler operates distribution, sales activities, and in-store marketing activities.