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Contributing to sustained business growth by accelerating our people strategy to strengthen human capital

Executive Officer and CHRO (Chief Human Resources Officer) Coca-Cola Bottlers Japan Inc.

Yuki Higashi

People strategy supporting the realization of our strategic business plan "Vision 2028"

In "Vision 2028," the CCBJH Group positions "strengthening human capital" as a foundation for achieving its ambitious goals. The CCBJH Group has newly defined its "future state of human capital," identified the people-related challenges the business faces in achieving that vision, and renewed its people strategy to address those challenges.

In 2024, we initiated efforts in five priority areas: "fostering performance-driven culture," "talent development," "promoting wellbeing," "securing a front-line workforce," and "promoting DE&I."

To ensure the steady execution of these initiatives, we devote

The Four People Strategy KPIs Units: % 1. Ratio of female 2. Ratio of male 3. Engagement 4. Progress of the managers*1 employees taking score*3 development plan for childcare leave*2 executive leadership team successors 92 Started tracking this as a KPI in 2024 2022 2023 2024 2022 2023 2024 2022 2023 2024 2024

- *1 The ratio of female workers in management is calculated and disclosed based on the provisions of the Act on the
- Promotion of Women's Active Engagement in Professional Life (Law No. 64, 2015).

 2 The ratio of male employees taking childcare leave is calculated according to the method stipulated in Article 71-4, Item 2 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labour No. 25 of 1991), based on the provisions of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for
- Children or Other Family Members (Act No. 76 of 1991).

 3 The engagement score is based on the percentage of respondents who chose a positive response ("agree" or "somewhat agree") among the five possible responses to each of the survey questions.

approximately a quarter of our annual executive leadership team meetings, equating to one meeting per month, to discussing this people strategy. In addition, we have incorporated four people strategy KPIs into the goal setting for executive officers and linked them to compensation, thereby establishing a governance framework that ensures management's commitment to executing the people strategy. We have laid the foundation as one for driving our people strategy forward.

Performance-

driven culture

Talent

development

"Future state of human capital"

To successfully achieve our "Vision 2028," we believe it is crucial to achieve our future state, that is "strengthening people and organization" to drive strategic execution, and "fostering a culture that promotes employee well-being" to maximize the potential of every employee, closely together.

With strengthening people and organization, we support employees to demonstrate strong ownership over personal development and career, thereby accelerating the acquisition and development of talent who drive transformation. Also, by implementing a thorough evaluation and compensation system focused on individual and organizational performance, we ensure to achieve employees' growth as well as the Company's targets.

With "fostering a culture that promotes employee well-being," we aim to create a work environment where employees can maintain both physical and mental health and work with peace of mind. At the same time, we seek to build a workplace where individuals with diverse values, experience, and attributes can thrive by leveraging their differences as strengths.

In 2025, the second year of our people strategy, we will accelerate the execution of initiatives to achieve the goals of "Vision 2028."

Front-line

workforce

"Vision 2028" Foundation Strengthening human capital Future state of People • Organization Culture human capital Take proactive ownership of one's own Enjoy working with diverse people development and career Feel a sense of fulfillment and happiness by Drive transformation and contribute to the success realizing one's own growth of business Work together to create an environment where Strengthen business processes through every individual can maximize their potential optimization and digitalization regardless of differences Acquire new skills necessary for future business and work styles **People Strategy** Priority areas

Well-being

DE&I



Maximizing the Performance and Growth of Organization and Individuals

To achieve our strategic business plan "Vision 2028" and sustainable growth, a mindset and culture that enjoys new challenges and growth is essential. We support employees to demonstrate strong ownership of personal development and their careers. By embedding a thorough evaluation and compensation system focused on both individual and organizational performance, we seek to achieve both individual growth and organizational goals.

Value Creation Story

A win-win dialogue cycle achieving both individual goals and career aspirations

To maximize the potential of employees and enable them to play an active role within the organization, we are thoroughly implementing a dialogue cycle for employees and their supervisors to have conversation throughout the year. Employees set short-term individual performance goals aligned with organizational goals, as well as mid- to long-term "Career Plan" and "Development Plan." They work toward achieving these goals with support from their supervisors and the company.

With "Career Plan," employees are encouraged to clearly define their short- to mid- to long-term goals, considering factors such as desired transfers, health-related aspects, and worklife balance. With "Development Plan," employees identify their strengths, and the skills needed to achieve their career goals and develop specific action plans together with their supervisors.

Strengthening managers' skills to maximize organizational and individual growth

To enhance the quality of the entire cycle from goal setting to evaluation, and to achieve individual growth and organizational goals, managers' skills in developing and performance evaluation are essential. To ensure that managers can fully draw out subordinates' potential and conduct fair, performance-based evaluations, we provide evaluator training every year, and in 2024, unconscious bias training was newly introduced. This helps prevent biases or inflexible ways of thinking, which enables managers to equip for fair evaluations and the provision of development opportunities for their team members. In addition, we have introduced a new demotion rule based on the idea of providing managers with an opportunity for a retry in an appropriate position when a manager faces difficulties in demonstrating the skills required for their position.

We are fostering an environment and culture where individuals can take on challenges repeatedly, while expanding performancedriven promotion opportunities and enhancing talent mobility.

Maximizing the growth through transfers, promotion, and compensation

The CCBJH Group has a compensation system that fairly rewards each individual based on their role and achievements. Compensation levels are optimized by establishing marketcompetitive salary ranges for each job category. To ensure performance-based and differentiated rewards, salary increases or decreases, and bonus amounts are determined based on organizational and individual performance evaluations.

In 2024, we introduced "Total Reward Statement" and "Bonus Statement" that clearly show employees their total compensation, which includes salary, bonuses, and welfare benefits, to encourage employees to understand how their own performance is linked to their compensation, which can increase their growth motivation and engagement.

CCBJH Group's Performance Management Cycle



Talent Development for Sustainable Business Growth

Introduction

For "strengthening human capital," which is an important foundation of our strategic business plan "Vision 2028," we are focusing on strengthening people and organization as one of the core pillars of our future state of human capital.

We aim to achieve sustainable profit growth for the CCBJH Group by developing talent equipped with the new skills necessary for future business and work styles, and capable of driving transformation.

Value Creation Story

Accelerating talent development capable of driving our business strategies and transformation

Development plan for executive leadership team successors

To realize sustainable organizational growth, we identify and develop future executive leadership talent at an early stage those expected to take on key management roles in the years ahead. At the People Development Forum (PDF) held three times a year during meetings of our executive leadership team, we visualize the current pool of candidates and engage in discussions to strengthen the pipeline of future executive leadership talent. In addition, we develop individual development plans for each candidate and track their progress and achievement levels. Furthermore, starting in 2024, we have designated the progress of executive leadership team successor development plans as one of the executive goals, establishing a framework in which executives themselves are committed to developing successors and strengthening the leadership pipeline.

Next-generation leadership development program to drive transformation

We operate "Coca-Cola University Japan (CCUJ)" as an internal university to nurture next-generation leaders who will drive the transformation and future growth of the Coca-Cola System. CCUJ comprises five leadership levels, from the next generation of prospective management executives to young employees. Since its launch in 2020, a total of 485 employees have participated in the program. Selected members from each division undertake a

> CCUJ EX (for the next generation of prospective management executives)

CCUJ I (for department managers)

CCUJ II (for section managers)

CCUJ III (for leaders (general staff members))

CCUJ VI (for general staff members)

six-month program to enhance five core leadership capabilities. By applying what they have learned to address company-wide management challenges, they aim to grow into transformational leaders with a high-level, strategic perspective.

Women's leadership development program

We promote women's active engagement, an aspect of diversity by offering leadership training programs for selected female managers and general staff members respectively. In the training program, participants gain an understanding of their strengths and areas for improvement, envision their desired future selves, and develop the skills and mindset needed to realize that vision. In addition, the program fosters networking among participants, providing a supportive environment where they can share concerns about their careers, life events, and challenges in balancing work and personal life, enabling them to grow together.



Female leadership training

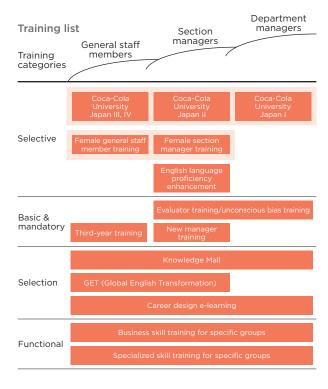
Promoting employee proactive learning

English language proficiency enhancement program GET (Global English Transformation) to succeed globally

We offer the Global English Transformation (GET), an openapplication English proficiency program for employees absorb further knowledge from outside Japan and apply it to our daily activities and business growth. In 2024, 218 employees participated in this program, and through the six-month intensive program, they steadily improved their English skills to be globally effective by competing with and encouraging each other.

Program that supports employees' individual career and skill development

In response to employees' desire for self-development, we offer a program called "Knowledge Mall," which program that supports employees' individual career and skill development. In this program, we offer more than 500 courses consisting of contents including digital transformation, online English conversation, and business school subjects, with tuition fees partly subsidized by the company. We are committed to ensuring that each employee has growth opportunities that suit their individual needs and timing, and a total of 3,300 employees took advantage of this program in 2024.



Promoting Well-being

To achieve goals in our strategic business plan "Vision 2028," we believe it is crucial to achieve our future state, that is, "strengthening people and organization" and "fostering a culture that promotes employee well-being" closely together.

Value Creation Story

By fostering a comfortable and productive culture and organization for employees, we aim to maximize the performance of each individual.

Promoting well-being through health management

We believe that for both the company and its employees to achieve sustainable growth, it is essential to foster a workplace environment where employees can thrive with a sense of purpose and maintain both physical and mental health, thereby promoting overall well-being. To that end, the CCBJH Group positions employee well-being as a key issue tied to its management strategy. The Representative Director and President also serves as the Chief Health Officer, and the Group has established a system to promote health management across the organization by actively involving top management.

We define well-being with five elements*: physical, career, social, financial, and community. Among them, we prioritize physical well-being which is directly linked to the health and



*The five elements above are based on the definition by Gallup, Inc. Source: https://www.gallup.com/workplace/237020/five-essential-elements.aspx safety of our our employees—as our top focus area, and we are accelerating our efforts toward achieving goals in "Vision 2028."

In recognition of these initiatives, we have been certified as a "KENKO Investment for Health" company for our outstanding efforts in health management.



Initiatives for physical well-being

Aiming to create a state in which employees can work in a healthy, safe, and flexible manner, we are advancing both organizational initiatives to address health-related issues and systems that empower individuals to proactively manage and promote their own well-being.

As part of our organizational efforts, in 2024, we focused on promoting a smoke-free environment to create a healthier and more comfortable workplace. We believe it is important for managers in leadership positions to take the initiative to guit smoking first and are working to achieve a 0% smoking rate among managers within 2025. To that end, we are taking measures to promote non-smoking, such as banning smoking on all company premises.

As a mechanism to support individuals in proactively promoting their health, we offer seminars and e-learning programs designed to help maintain and encourage daily exercise habits. The "Sawayaka Walk," a team-based walking challenge that tracks total steps over one month using a dedicated app, has been held three times a year since 2019 and is open to all employees. In 2024, approximately 8,000 employees participated. We have also established a 24-hour health consultation service that is available to both employees and their families.

Encouraging flexible work styles

We are promoting the creation of an inclusive environmentthrough flexible work styles—where all employees, regardless of their differences, can be themselves and fully realize their potential.

To be a "workplace of choice" for diverse talent, we have implemented various flexible work options, including remote work, the use of satellite offices at approximately 100 business locations, Super-Flex, flex system that does not have core time, and a system that allows sales representatives to go straight to clients and back home. In addition, to support work-life balance, we set a target for the annual paid leave acquisition rate for each organization to improve the workplace environment so that employees feel comfortable taking leave. At our manufacturing plants, these initiatives—combined with strengthened recruitment efforts improved the vacancy filling rate during the busy summer period of 2024 to 98%, up 3 points from the previous year.

As a result of these initiatives, as a leading company in wellbeing, we have earned high recognition in external evaluations such as the Nikkei Smart Work Management Survey and Hataraku Yell.

Improving employee engagement

The CCBJH Group conducts engagement surveys to assess the well-being of its employees, identifying challenges within each organization, such as communication and work-life balance. In 2024, we focused on concrete actions such as enhancing the quality and frequency of dialogue between managers and team members and supporting the advancement of each employee's individual career plan. As a result, the engagement score improved to 74%, a 3-point increase compared to the previous year. We will continue striving to make the CCBJH Group a "workplace of choice" for diverse talent, in which employees feel a sense of fulfillment and happiness through their work.

Be COLORFUL! Let's Continue to Create New Values Together



To achieve our strategic business plan "Vision 2028" and the company's sustainable growth, we aim to build a culture where everyone—regardless of differences—can be themselves and maximize their abilities and enjoy collaborating with diverse individuals. The driving force for creating new values is the fusion of colorful values and ideas, woven together by our personnel with differences in age, race, nationality, disability, gender, sexual orientation, gender identity, gender expression, and work style. We will continue to be a company that connects with our customers and society in our own way, with diverse personalities working together.

Promoting women's active engagement in professional life

We are committed to promoting women's active engagement in professional life as part of our efforts to achieve sustainable growth. Starting in 2024, we have set a female manager ratio as a target for executives and are promoting women's active participation across the company, resulting in an achievement of 9.2%. In addition, we are promoting the advancement of female employees to managerial positions by providing a leadership training program for selected female employees, along with training for their supervisors to enhance their skills in fair evaluation and development. These initiatives have been recognized, and in 2024, we ranked first in the food industry category of Nikkei Woman's "Top Companies Where Women Thrive."

By continuing to implement concrete initiatives, we aim to achieve a 20% ratio of female managers by 2030.

Encouraging male employees to take childcare leave

We are working to create an environment where male employees' participation in child-rearing becomes the norm. Since September 2024, we have made it mandatory for employees to take three days of paid childcare leave upon their partner's childbirth. In addition, we continue to promote the "Papa Apron" initiative, in which male employees who have a newborn baby receive an apron as a gift, encouraging them to





Gift of "Papa Apron" to male employees who have a newborn baby

take childcare leave.

As a result of these initiatives, we achieved our target of 100% male employees taking childcare leave in 2024—one year ahead of schedule.

Going forward, we aim to further promote leave-taking by expanding the mandatory leave period to five days and introducing a system to secure substitute personnel for employees on leave.

Diverse contributions of people with disabilities

We have people with disabilities working in a variety of positions at many sites. At our special subsidiary within the Group, employees are encouraged to demonstrate their individual traits and abilities in a wide variety of tasks, including laundry and data entry, and we also support the activities of



Uniform laundry duties, one of the major tasks of the specialpurpose subsidiary

Paralympic and Deaflympics athletes. In addition, as a new initiative, in 2024, we established "Uni-Lab" at our headquarters Roppongi office.

At "Uni-Lab," such employees mainly engage in tasks using computer skills and working as a team by dividing up and collaborating on tasks requested by other departments based on each member's area of expertise, experience, and aptitude.



We will continue to expand employment opportunities for people with disabilities and promote the creation of an environment where individuals with diverse personalities can work together.

Establishment of "Uni-Lab" at our Roppongi headquarters in 2024

Initiatives for LGBTQ+ and allies

We are working on creating an environment where all employees have a strong understanding of LGBTQ+ issues and diversity is respected without discrimination, both inside and outside the company.



External event on allyship

In terms of systems, we have developed policies to allow all employees to take advantage of welfare benefits, regardless of the gender of their partners or their marital status. We have also established leave for medical treatment for gender transition.

In addition, we host events with consumers and customers to foster dialogue around allyship, providing opportunities to discuss and reflect on gender equality and LGBTQ+ inclusion.

These initiatives have been recognized with the highest "Gold" rating within the food and beverage industry for four consecutive years in the PRIDE Index, which honors efforts to support sexual minorities. Additionally, we have received the "Rainbow" recognition for three consecutive years, awarded to companies that actively promote LGBTQ+ inclusion crosssector collaboration.



Kyushu Rainbow Pride

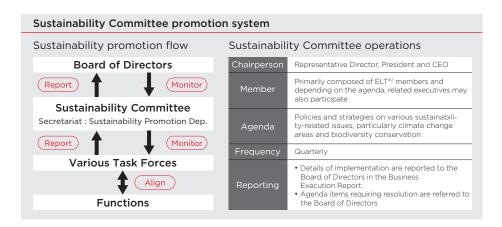
Sustainability Strategy Introduction Value Creation Story Growth Strategies to Enhance Corporate Value Foundations Supporting the Corporate Value Growth Data Section



Sustainability Strategies for Strengthening Our Sustainable Management Foundation

Executive Officer and CSCO / CSO (Chief Supply Chain Officer / Chief Sustainability Officer) Coca-Cola Bottlers Japan Inc.

Andrew Ferrett



Our company's approach to sustainability

We position Creating Shared Value (CSV) as the cornerstone of our management and sustainability strategy. By driving business growth to create economic value while responding with agility to changes in the business environment, we aim to create social value through the resolution of social issues, delivering sustainable value to all stakeholders. To accelerate our efforts toward sustainable growth, we launched "Vision 2028," our medium term management plan. We position and promote ESG management as a supporting foundation of our strategy for sustainable profit growth. In 2024, we transferred the planning and promotion of sustainability-related initiatives to the SCM Division to strengthen and accelerate their implementation.

Promoting our initiatives for material issues

Currently, we have 13 identified material issues (▶ p. 18) and have established non-financial "CSV Goals" as specific targets. As Chief Sustainability Officer, I aim to realize our sustainability strategy by promoting initiatives across the entire value chain to achieve these goals. In 2024, we made progress in the following material areas:

Promoting a Circular Economy and Addressing Climate Change

In 2024, we expanded the rollout of label-less PET products and scaled up our "CAN to CAN" horizontal recycling initiative

for aluminum cans, first launched in 2022 (▶ p. 47). These efforts support CO₂ emissions reduction and the promotion of resource circulation in Japan. Furthermore, we began solar power generation at our Hiroshima Plant (Hiroshima Prefecture) through an on-site Solar Power Purchase Agreement (PPA) model* (▶ P. 48), further reducing CO₂ emissions through renewable energy.

Conservation of Water and Biological Resources

As a company that relies on water—an irreplaceable resource—we strictly manage the amount used in manufacturing. We continually review and improve both our manufacturing processes and plant facilities to reduce the Water Use Ratio (WUR) per liter of products. In 2024, we made significant progress, particularly in carbonated beverages, achieving a 23% reduction in overall WUR compared to 2015 (\triangleright p. 49).

We also actively promote water resource conservation collaboration with local communities to help preserve water for future generations. In recognition of these efforts, in December 2024 our Hakushu site in Yamanashi Prefecture became the first of our plants to receive Gold certification under the Alliance for Water Stewardship (AWS), an international certification for the responsible use and management of water resources (> p. 50).

We recognize that conserving water source areas—such as forests, grasslands, and ecosystems—is essential. We continue efforts to conserve biological resources through forest maintenance and water resource conservation activities in water source areas of our plants. In 2024, "Water Source Forest Ebino" at

our Ebino Plant in Miyazaki Prefecture was certified as a Nationally Certified Sustainably Managed Natural Site by the Ministry of the Environment, it was also registered as an Other Effective areabased Conservation Measure (OECM) in the international database. In the 2024 sustainability survey conducted by the international non-profit organization CDP, we received the highest A-List rating in the Water Security category for the second consecutive year. We also advanced initiatives aligned with the recommendations of the Task Force on Nature-Related Financial Disclosures (TNFD) and worked to enhance information disclosure (P. p. 53).

Sustainability policy promotion system

To address social issues such as climate change mitigation and adaptation, as well as biodiversity conservation, our company formulates policies and strategies through its Sustainability Committee. The committee meets quarterly with ELT*2 members to discuss key sustainability topics. The resulting policies and strategies are promptly communicated to cross-functional task forces to ensure the smooth execution of sustainability initiatives. In 2024, the committee held broad discussions on climate change, packaging, and water-related policies and strategies. Moving forward, we will continue to proactively and consistently address social issues through our sustainability initiatives, contributing to the sustainable enhancement of our corporate value.

^{*1} Power Purchase Agreement (PPA) business model where a PPA provider installs and owns a solar power generation system on the roof or premises of a business operator, and the business operator purchases the generated electricity.

^{*2} An abbreviation for Executive Leadership Team, referring to the management organization within the CCBJI Group, including the CEO and function heads



Efforts in Packaging and Recycling Toward a Circular Economy

We are promoting resource circulation in Japan, focusing on two pillars: "Design" and "Collection through partner collaboration."

Design

For PET products, we have adopted 100% recycled PET bottles for 35 products across three brands,*1 including our flagship product, Coca-Cola.

We also offer label-less PET bottle products, which eliminate the need for customers to remove labels during sorting used PET bottles, and help reduce plastic usage.

In our label-less product range, we offered 42 products across eight brands,*1 including I LOHAS, Coca-Cola, Aquarius, Ayataka, Canada Dry, Georgia, Karada Sukoyakacha, and Sokenbicha in 2024.

In can products, we offer items made with 100% recycled aluminum through the horizontal recycling initiative CAN to CAN. The CAN to CAN initiative uses recycled aluminum material from used cans collected from recycling boxes next to our vending machines and uses them for packages.

Since December 2022, we have been producing three

products including the 400 ml Georgia Kaoru Black using recycled aluminum material from the CAN to CAN initiative for the can body. Starting in April 2024, we have expanded the use of 100% recycled aluminum material to the cap part while maintaining traditional functions such as opening performance and sealing performance.

As a result, the CO₂ emissions per can have been reduced from approximately 25% to approximately 37% (an increase of 12 points), which contributes to further reduction of environmental impact*2.

Furthermore, starting in August 2024, we began manufacturing Georgia using the world's lightest*3 185 g aluminum beverage cans at our Ibaraki Plant and Saitama Plant. Compared to conventional 185 g aluminum cans, the weight of the can body was reduced from 7.0 g to 6.1 g, which reduced material usage per can by 13%.

Collection through partner collaboration

We are coordinating with customers and local governments to establish a reliable package collection and recycling scheme which reprocesses collected used PET bottles into raw materials and utilizes them in our products through the bottle-to-bottle initiative.

In May 2024, we launched a collaborative bottle-tobottle initiative with LEGOLAND Japan LCC., DUSKIN Co., Ltd., and the Coca-Cola (Japan) Company.

We are responsible for manufacturing and selling products made from used PET bottles collected by DUSKIN within the LEGOLAND® Japan Resort. In addition, the Coca-Cola (Japan) Company produces a video encouraging facility users to properly sort and collect beverage packages, promote awareness of resource recycling, and advance resource recycling as part of the Coca-Cola System.

Aluminum CAN to CAN horizontal recycling



Customers Coca Cola LEGOLAND DUSK!N

^{*1} Based on 2024 production results

^{*2} Compared to CO₂ emissions generated during the manufacturing process of conventional 400 ml aluminum bottles, According to ALTEMIRA Co., Ltd. (aluminum bottle can supplier)

^{*3} According to Toyo Seikan Co., Ltd. As of August 2024. As empty 190 ml 202 diameter stay-on-tab (SOT) cans. (Empty cans do not include the weight of the laminated film on the can body or the can lid)



Net Zero in Greenhouse Gas (GHG) Emissions by 2050

Introduction

We are committed to reducing GHG emissions throughout the supply chain in line with the Paris Agreement and science-based absolute reduction targets, while seeking to grow the business at the same time.

Climate change action targets

We are working toward our non-financial targets outlined in the CSV Goals, including reducing Scope 1 and 2 GHG emissions by 50% and Scope 3 by 30% by 2030 (compared to 2015 levels), and achieving net-zero GHG emissions by 2050.

On-site PPA model*1 solar power generation introduced at Hiroshima Plant

We installed on-site PPA model solar power generation equipment at our Hiroshima Plant (Hiroshima Prefecture), and began operations in September 2024. This is the first time we introduced solar power generation using the PPA model at one of our plants. The electricity generated by this equipment (renewable energy) will be purchased by the Company from the PPA operator and used as electricity for the manufacturing lines at the Hiroshima Plant. This is expected to reduce GHG emissions by approximately 110 metric tons per year.

At our plants, we are using hydroelectric power and purchasing Green Power Certificates, which are issued

Solar power generation equipment (Hiroshima Plant)

by third-party organizations to certify that electrical power has been generated from natural energy sources. We will continue to promote the use of renewable energy in the future.

Expansion of carbon offset vending machines that effectively reduce operational CO₂ emissions to virtually zero

Since March 2023, we started to introduce carbon offset vending machines that effectively reduce operational CO₂ emissions to virtually zero, and we have increased the number of machines to over 970 as of March 2025. With a feed-in tariff (FIT) non-fossil certificate*2 equal to the annual electricity consumption of the vending machines that we support the acquisition of, the machines installed on our customers' sites are considered to be using electricity generated from renewable energy sources, helping to offset their CO₂ emissions. Our goal is to support our customers' efforts toward a decarbonized society by expanding carbon offset vending machines that are familiar to general consumers.

Carbon offset vending machines Electricity virtually derived from renewable energy Electricity used for vending Non-fossil Net zero of machine certificate* CO₂ emissions *What is a non-fossil certificate A certificate that extracts and visualizes the non-fossil value of electricity generated without using fossil fuels such as oil or coal, by non-foss electricity methods.

Coca-Cola Bottlers Japan's key GHG reduction initiatives

Scope 1

Direct emissions from our own operations

Scope 2

Indirect emissions from use of electricity/ heat purchased from third parties

- Improving energy efficiency in plant facilities and offices
- Introducing renewable energy
- · Improving efficiency of transportation
- · Replacing vehicles with fuel-efficient models









Scope 3

Emissions across our value chain

- Promoting horizontal recycling such as CAN to CAN and bottleto-bottle initiatives
- Promoting sales of 100% recycled PET bottles and label-less products
- Introducing vending machines with reduced electricity consumption and GHG reduction effects





^{*1} 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

^{*2} A certificate that extracts and visualizes the environmental value of electricity generated from renewable energy sources (non-fossil power sources), such as solar, wind, geothermal, and biomass



Sustainable Conservation of Water Resources

As a business reliant on the invaluable resource of water, we consider it our important responsibility to enhance the sustainability of water. We strive to reduce, recycle, and properly manage 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.

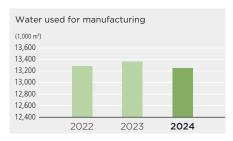
Water resource conservation goals and progress

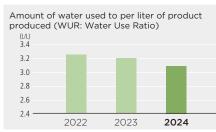
We are promoting water resource conservation with the goals of reducing water usage by 30% by 2030 and maintaining a water replenishing rate of 200% until 2025 (both compared to 2015). We set precise targets for lowering the water use ratio (WUR), the amount of water used per liter of product produced. At our plants, we diligently manage water usage to prevent waste of this precious natural resource, and we continuously review and refine our plant facilities and manufacturing processes. Additionally, we are dedicated to returning the same amount of water to the environment that we use in our products, ensuring that we sustainably nurture forests in our water source areas and help preserve their water resources. To achieve these objectives, we actively collaborate with local communities and experts to advance our water conservation efforts.

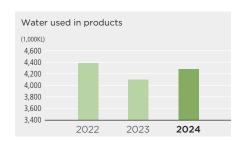
Goal in 2030: 2024 Reduce water Actual usage by 30%

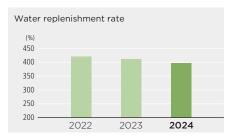
Goal in 2025: Maintain a 200% water replenishment rate

Key water indicators and achievements





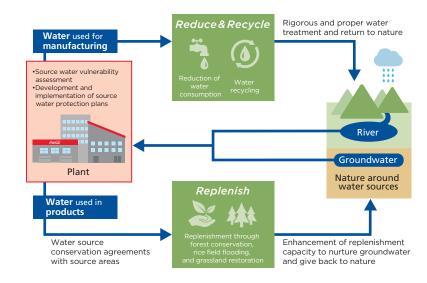




View on the water cycle in the Coca-Cola System

We categorize water at our plants into two main groups: water used for manufacturing and water contained in our products, and we manage both accordingly.

To ensure that our business activities are sustainable within the natural water cycle, it is crucial to maintain and improve the health of entire watersheds. Our efforts are centered around three key practices: reducing water consumption in manufacturing (reduce), managing wastewater in plants (recycle), and researching and conserving local water sources (replenish).



Approximately

replenishment area

Number of plants with water source conservation agreements All

Water is used in the manufacturing process for cleaning and cooling purposes, which

Water used for manufacturing

is then collected, treated and recycled. After rigorous and proper water treatment, it is discharged into rivers.

Water used in products

Through conservation activities, such as afforestation, thinning, rice field flooding and grassland restoration, we improve the replenishment capability of water sources and help nurture groundwater to ensure its abundance, ultimately returning water to nature.

Water usage reduction in plants --Reduce

In our plants, we promote the efficient use of water during manufacturing, strictly adhering to the quality standards of the Coca-Cola System's unique management system, KORE. Specifically, we have introduced cutting-edge technologies and equipment that effectively conserve water. We also collect, treat, and recycle water used in the cleaning and cooling processes during manufacturing, enabling its circular reuse.

These initiatives have reduced the water use ratio (WUR)—the amount of water used per liter of product produced—to 3.09 liters by the end of 2024, a steady decrease of 23% from 2015.

Wastewater management at plants — Recvcle

After circular use within the plant, water is purified using the activated sludge method with microorganisms. Our wastewater management strictly adheres to the most rigorous standards, whether required by local laws such as the Water Pollution Prevention Act, or the internal guidelines of KORE.

We return strictly and appropriately treated water to the rivers and natural environment, allowing it to recirculate as a clean water.

Investigation and conservation of local water sources — Replenish

In the Coca-Cola System, we work with specialized institutions to scientifically identify the water sources of all of our plants. After assessing the vulnerability of these water sources, we develop water source conservation plans for them and review them regularly. Based on our conservation plans, we implement disaster response measures and carry out replenishment activities in the water source areas of our plants.

Replenish initiatives: Replenishment activities in plant water source areas

At all 17 of our plants, we conduct replenishment activities to nurture and maintain healthy water sources. These initiatives are carried out in forests and other water source areas of our plants, in collaboration with landowners, municipal governments, and forestry associations through conservation contracts.

Since 2006, we have been proactively engaged in water resource conservation. Currently, we are working with 61 organizations, including 27 municipal governments, in 15 watersheds surrounding all 17 plants to conduct replenishment activities.

Acquisition of AWS certification at the Hakushu Plant (Yamanashi Prefecture)

The Hakushu Plant obtained the Gold certification under the Alliance for Water Stewardship (AWS) standard in 2024, an international certification for responsible water use and management (water stewardship). The plant received high evaluation for its commitment to reducing water usage in manufacturing and maintaining water quality in accordance with the Coca-Cola Operating Requirements KORE, the global quality standard for the Coca-Cola System. This recognition also reflects efforts to understand the water balance in the surrounding watershed, anticipate future impacts and trends, and collaborate with stakeholders in the catchment area to optimize water use in the manufacturing process. The AWS certification at the Hakushu Plant is the first such case within the Coca-Cola System in Japan.

Water source conservation agreements and replenishment rates (as of the end of 2024)



17

15

34

Plants	Water source agreement area	Replenishment rate
Zao	Zao, Katta-gun, Miyagi Prefecture	100% or more
Saitama and Iwatsuki	Katashina, Tone-gun, Gunma Prefecture	300% or more
Ibaraki	Ishioka, Ibaraki Prefecture	300% or more
Tama	Hachioji, Tokyo / Tabayama, Yamanashi Prefecture*	100% or more
Ebina	Atsugi and Ebina, Kanagawa Prefecture	300% or more
Hakushu	Hokuto, Yamanashi Prefecture	100% or more
Tokai	Ena, Gifu Prefecture	100% or more
Kyoto	Ujitawara, Tsuzuki-gun, Kyoto Prefecture	100% or more
Akashi	Tambasasayama, Hyogo Prefecture	300% or more
Daisen	Houki, Saihaku-gun, Tottori Prefecture	300% or more
Hiroshima	Mihara, Hiroshima Prefecture	300% or more
Komatsu	Saijo, Ehime Prefecture	100% or more
Tosu and Kiyama	Tosu, Saga Prefecture / Kiyama, Miyaki-gun, Saga Prefecture	100% or more
Kumamoto	Aso, Kumamoto Prefecture / Ozu, Kikuchi-gun, Kumamoto Prefecture	300% or more
Ebino	Ebino, Miyazaki Prefecture	300% or more

*In cooperation with the Coca-Cola (Japan) Company



The AWS audit being conducted (Hakushu Plant)





Hakushu Plant

Coca-Cola "Learn from the Forest" Project

Our Coca-Cola "Learn from the Forest" project, located at our plants' water source areas, provides a space for local communities and our employees to learn collaboratively about the importance of irreplaceable water resources and the conservation of biodiversity unique to each region.

In collaboration with municipal governments, forestry associations, universities, NPOs, and other partners, the project offers programs including forestry experiences, biological observation, and woodworking. Through these experiences, participants learn about the importance of forest conservation, the use of sustainable forest resources, and forest ecosystems and conservation. They gain appreciation of the diverse functions and benefits of forests, which leads to enhanced awareness of environmental conservation.

In 2024, we held the Coca-Cola "Learn from the Forest" project for the first time in Hachioji, Tokyo, as well as at Saijo, Ehime Prefecture; Ebino, Miyazaki Prefecture; Hokuto, Yamanashi Prefecture; Ishioka, Ibaraki Prefecture; Kiyama, Saga Prefecture; Ujitawara, Kyoto Prefecture; and Akashi, Hyogo Prefecture, with a total of 590 participants at the eight locations.



"Learn from the Forest" project in Kiyama, Saga Prefecture

\ Comment from a participant /

I participated for the first time. "Learn from the Forest" offered a good opportunity to interact with the local community. I gained an understanding of our company's initiatives through the university professor's discussion. (Employee)





Certification as a Water Cycle Active-company

Under the 2024 Water Cycle Company Registration / Certification Program of the Cabinet Secretariat's Headquarters for Water Cycle Policy, our Company was certified as a Water Cycle Active-company that actively engages in initiatives that contribute to the water cycle.

Water Cycle Active-companies are certified by the Cabinet Secretariat's Headquarters for Water Cycle Policy as having carried out initiatives that contribute to the water cycle within the past three years. Initiatives that directly contribute to the water cycle through water volume and water quality are certified under the "Quality and Quantity Category," and those contributing to water cycle through human resources, funds, equipment, and similar means are under the "Human Capital Category." Our Company received certification for initiatives in both categories.



\ Comment from a participant /

I learned a lot about protecting forests and treasuring nature. My children watched the tree cutting with great interest. It was a great opportunity to work with people of all ages. (General participant)





Biodiversity Conservation Initiatives

Our biodiversity conservation initiatives are closely linked to efforts to preserve and maintain water resources in forests, grasslands, and other water source areas. Maintaining biodiversity in its natural state is essential to supporting the water replenishment function of these sources. Through activities such as forest maintenance in designated "Water Source Forests" near our plants, where we have signed conservation agreements, we are working to help protect biodiversity.



Coca-Cola Bottlers Japan Water Source Forest Ebino registered in OECM database

Coca-Cola Bottlers Japan Water Source Forest Ebino covers approximately 203 hectares of community-adjacent forest in the water source area of our Ebino Plant in Miyazaki Prefecture. Since 2014, we have undertaken forest development at the site to support water resource conservation. In the second half of



fiscal 2023, the forest was certified as a Nationally Certified Sustainably Managed Site by the Ministry of the Environment.

Of the Nationally Certified Sustainably Managed Sites in Japan. 48.000 hectares of areas outside protected zones have been registered in the international database of Other Effective area-based Conservation Measures (OECM). The 203 hectares of Water Source Forest Ebino are included as a part of this area.





Water Source Forest Ebino (Ebino City, Miyazaki Prefecture)

Biodiversity Research Begins in earnest at Water Source Forest Houki

To advance biodiversity conservation efforts at Water Source Forests, in 2024 we worked with experts to pilot a biodiversity survey at Coca-Cola Bottlers Japan Water Source Forest Houki, located in the water source area of our Daisen Plant in Tottori Prefecture. This key water source forest lies near beautiful Mount Daisen, known for its celebrated waters. Since 2007, we have carried out water resource replenishment activities in 425 hectares of forest under an agreement with Tottori Prefecture and the town of Houki. This area, which borders the Daisen-Oki National Park, is home to secondary forests of red pines and deciduous broad-leaved trees. The activities confirmed the presence of many native animals and plant species. Among these were 36 rare species found in forests, grasslands, and water areas. Using the findings of the survey, we will monitor and protect rare species and implement measures to control designated invasive alien species.

We use Biome, biodiversity tracking app, to accelerate our biodiversity conservation effort

Leveraging Expo 2025 Osaka, Kansai, we have introduced the Biome biodiversity tracking app from Biome Inc. on our company mobile phones. This allows employees to enjoyably engage with the importance of biodiversity conservation. By analyzing and using animal and plant data collected from different locations, we also aim to contribute to the 30by30



*Effective preservation of 30% or more of land and sea areas as healthy ecosystems, with the aim of achieving "Nature Positive" status that halts and reverses the loss of biodiversity by 2030

Making biodiversity fun with Biome app!

Nature café event

In 2024, we held Nature café, a hands-on event using the Biome app to boost employees' understanding of biodiversity. The program included online lectures along with plant and animal searches in parks near offices at four locations in Tokyo, Osaka, and elsewhere. A total of 300 employees enjoyed this experiential learning activity focused on the importance of biodiversity conservation.





Our Approach to TCFD and TNFD*1

We recognize the importance of incorporating the risks and opportunities associated with climate change and natural capital into our management strategy. As a material issue, we established mitigation of and adaptation to climate change, as well as sustainable conservation of biological resources, and we disclose information based on the TCFD and TNFD recommendations.

Disclosure based on the TCFD and **TNFD** frameworks

We endorsed the TCFD recommendations in February 2022, then participated in the TCFD Consortium and the Japan Climate Initiative. We joined the GX League in 2023 and are actively continuing efforts to reduce greenhouse gas (GHG) emissions. In 2022, a scenario analysis was conducted from a medium-term perspective (2030), covering key risks and opportunities of high importance. In 2023, a scenario analysis was conducted from a longer-term perspective (2050), expanding the items covered, and our disclosure content was updated based on the TCFD recommendations.

In addition, in December 2022, we endorsed the TNFD initiatives and participated in the TNFD Forum. We registered as a TNFD Adopter, a company that promotes disclosing information aligned with the TNFD recommendations, in December 2023, and in November 2024, we analyzed our nature-related business risks and opportunities using the TNFD recommendations v. 1.0 as a reference as an initial disclosure based on these recommendations, and disclosed information by identifying priority locations regarding water resources and biodiversity.

1 Governance

Introduction

We established a Sustainability Committee to enhance our system for developing policies and strategies concerning various issues, including climate change mitigation and adaptation, and biodiversity conservation. The Committee is chaired by the Representative Director, President and CEO and meets four times a year. The Committee is composed of ELT*2 members, who discuss sustainability issues then promptly communicate the decided direction and strategies to ensure all divisions carry out sustainable activities efficiently and comprehensively.

The Board of Directors believes in the importance of sustainability-related risk measures including mitigation of and adaptation to climate change, as well as water resource and biodiversity conservation. When formulating management policies for our strategies and targets, the Board of Directors receives reports on policies and strategies discussed by the Sustainability Committee and takes risk selection and growth into account. Since 2022, the Board of Directors evaluates measures for nature-related issues including water resources and biodiversity and, in addition to regular discussions by the management team,

incorporates these measures into annual and medium-term plans. We explain the results of our ESG-related initiatives to our stakeholders in earnings presentations.

Recognizing the TNFD's mandate to account for the rights of all stakeholders, including local communities, we have identified these communities as significant stakeholders within our Human Rights Policy, acknowledging their potential to be affected by our operations. We are committed to fostering open communication and collaboration with stakeholders, ensuring their insights are integrated into our business operations. Furthermore, we ensure compliance with our Supplier Guiding Principles (SGP), which reflect our core values concerning human rights, environmental protection, and labor standards, thereby ensuring the promotion of human rights throughout our supply chain.

		TCFD	TNFD	Relevant pages	
1	Governance	The Sustainability Committee, which is compo to formulate strategies. Ultimately, strategies a	Sustainability Committee	» P. 46	
2	Strategy	We expanded our scenario analysis to cover the target years 2030 and 2050, and subsequently re-identified key risks and opportunities. We are also considering transition plan.	We used the LEAP approach to assess nature-related risks and opportunities. We identified and assessed potential nature-related risks and opportunities across our entire value chain that are closely related to the Company. We refined these risks and opportunities to the theme of water resources, which has the greatest impact on our business, and then conducted water analysis across our value chain.	Mitigation of and Adaptation to Climate Change	» P. 48
3	Risk management (TCFD), risk and impact management (TNFD)	Risks and opportunities are discussed weekly by the ELT, with further detailed analysis conducted by the Risk Management Forum held quarterly.		Risk management	» P. 71-74
4	Metrics and targets	As mid- to long-term targets, we have established the CSV Goals, our own non-financial targets, and are implementing initiatives while checking progress.		CSV Goals	» P. 19

^{*1} TCFD (Task Force on Climate-related Financial Disclosure) and TNFD (Taskforce on Nature-related Financial Disclosure) are international frameworks that encourage corporate financial disclosure.

^{*2} An abbreviation for Executive Leadership Team, referring to the management organization within the CCBJI Group, including the CEO and division heads

2 Strategy

TCFD

Scenario analysis

Regarding the reduction of GHG emissions, we aim to reduce Scope 1 and 2 emissions by 50% and Scope 3 emissions by 30% by 2030 (compared to 2015). Furthermore, we strive for net-zero GHG emissions by 2050. To mitigate and adapt to climate change, we are strengthening our governance system based on the TCFD recommendations, considering scenario analysis and strategy, and working to achieve our goals, while promoting risk management. Determining that more detailed analysis of climate change is necessary, we have been conducting scenario analysis since 2022. Our analysis focuses on the beverage business, the main business of our company and examines two scenarios: a 1.5/2°C scenario and a 4°C scenario.

	1.5/2°C	4°C
Scenario	Climate change response progresses, intensifying the risk of regulatory and other transitions Society where social changes associated with the transition to a decarbonized society are likely to affect business	Climate change response stalls, natural disasters and other physical risks intensify Society in which rising temperatures and other climate changes are likely to affect business
Reference	IEA: NZE,SDS IPCC: RCP1.9, 2.6, 4.5	IEA: STEPS IPCC: RCP8.5

ITNFD

1) The LEAP approach

The Company has adopted the LEAP approach, a framework recommended by the TNFD, to analyze potential nature-related risks across our entire value chain to identify which of these issues are important for our business. An analysis to identify the priority locations selected the theme of water resources, and a water risk assessment was conducted using publicly available tools such as Aqueduct of the World Resources Institute (WRI) and Integrated Biodiversity Assessment Tool (IBAT).

The LEAP approach



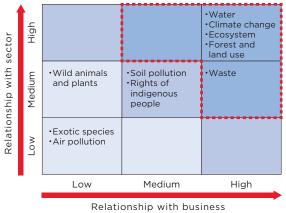
- understand impacts and dependencies with ENCORE*2
- manifestation and assess business impact on value chain ✓ Identifying material issues
- value chain using tools such as IBAT and AQUEDUCT*3
- based on external required standards
- ✓ Considering additional initiatives using SBTN's*4 AR3T framework

2) Identifying key issues

To identify the key nature-related issues, we assessed the sector's dependence and impact on nature using ENCORE. We also studied cases in which nature-related risks with significant impacts on the business had materialized and selected corn, sugar beets, sweet potatoes, sugarcane, coffee beans, tea leaves, and dairy products as raw materials for beverages, which are our key products, and plastic, aluminum, and iron as container packaging materials using the SBTN High Impact Commodity List as a reference.

In addition, taking into account the connection between relevant nature-related themes and the value chain allowed for an assessment of the relative importance of nature-related risks. Based on the results of this research and analysis, we created a materiality map of nature-related risks in our business, with ENCORE analysis results as "Relationship with sector" on the vertical axis and the results of the assessment of the relative importance of risks as "Relationship with business" on the horizontal axis, identifying five key nature-related issues: water, climate change, surrounding ecosystems, forests and other land use, and waste.

Nature-related materiality map



^{*1} We will consider conducting scenario analysis in the future.

^{*2} Free online tools for investigating exposure to nature-related risks to understand dependencies and impacts on nature

^{*3} As initial disclosure, we conducted analysis on water among the key issues.

^{*4} An abbreviation for "Science Based Targets Network," A framework for companies and cities to set science-based targets for nature (SBTs for Nature).

Identified key risks and opportunities

Detailed information on the risks and opportunities identified based on the TCFD and TNFD recommendations can be found on our website. We have published the details and time of occurrence of our TCFD and TNFD transition risks, physical risks, and opportunities. Regarding the TCFD, we have disclosed a quantitative analysis, countermeasures, and a roadmap for decarbonization to achieve our targets for reducing GHG emissions by 2030.



TCFD

https://en.ccbji.co.jp/csv/tcfd/

We have conducted a scenario analysis covering 2030 and 2050, using quantitative analysis to identify key risks and opportunities. To minimize risks and maximize opportunities based on multiple scenarios, we have reflected countermeasures in management strategies and in our medium strategic business plan, "Vision 2028" and incorporated them into annual plans. Going forward, we will expand the scope of our disclosure, including quantitative analysis, and refine our results, as well as periodically revise our scenario analysis based on social trends.

TNFD

https://en.ccbji.co.jp/csv/tnfd/

Regarding the five key issues, including water, the Company believes that rising costs and supply instability are risks to financial planning. The Company also found that there are opportunities to contribute to biodiversity conservation through enhanced traceability and technological development.

Water resources location analysis

We conducted a value chain location analysis on "water," to examine the challenges related to water in further depth. For the location analysis, publicly available tools were used to identify the priority locations by assessing the risks related to water and biodiversity in sourcing countries and business sites with respect to their use of water resources and discharges of wastewater into the environment. Since no risks were identified in the downstream portion of the value chain, the analysis and assessment were focused solely on direct operations and the upstream.

Analytical methods

Upstream value chain

Direct

operation

Downstream

value chain

Evaluation unit : Main countries of origin of key raw materials

Tool used : AQUEDUCT / Environmental Justice Atlas / Water Risk Filter / IBAT / Ocean+ Habitats

Evaluation method: Evaluation of water stress, water-related conflicts, water quality, and other factors in and

around the main raw material production areas in the country of origin.

Evaluation unit : Manufacturing sites (17 plants) Tool used : AQUEDUCT / Global Wetlands / IBAT

Evaluation method: Evaluation of the presence or absence of important areas for water stress and biodiversity

conservation (precious aquatic ecosystems) in the vicinity of the site

Out of scope as no risks of "use of water resources" and

"wastewater into the environment" were found in downstream value chain

3 Risk management (TCFD), risk and impact management (TNFD)

The Company has implemented a business resiliency program that includes enterprise risk management (ERM), which enables the Company to manage risks and opportunities. This program includes preventative and reactive activities that support business growth while responding to and recovering from adverse events. Our ERM program comprehensively assesses all kinds of risks, including risks in sustainability fields such as climate change and biodiversity.



*An abbreviation for Executive Leadership Team. Management organization in CCBJI Group including CEO and function heads

4 Metrics and targets

The Company upholds our CSV Goals as non-financial targets and has established a variety of metrics and targets regarding identified risks, such as reduction of GHG emissions, sustainable raw material procurement, and water-resource conservation for the purpose of reducing water use volume and maintaining the water replenishment rate. We are making steady progress toward these targets. Through periodic review of these metrics and targets going forward, we will continue to consider relevant metrics and targets in order to respond to new risks and opportunities. (▶ p. 19)



Supporting Better Lifestyles Through Our Product

We contribute to consumer wellness by offering high value-added products and services that help maintain and promote health and nutrition.

Introduction

Providing products and services that support health

As part of our health and wellness efforts, we strive to provide easy-to-understand information to help customers choose beverages that best suit their needs. This includes front-of-pack calorie labeling on Coca-Cola products and other detailed product information.

In addition, we have developed an extensive product line-up to meet a wide range of customer needs. In response to rising health consciousness, we have strengthened our offerings of Foods for Specified Health Uses (FOSHU), Foods with Function Claims, unsweetened teas, natural waters, and zero-calorie beverages to support a growing demand of healthy lifestyle of consumers. We also conduct hydration seminars as part of our health-related seminars to further promote customer wellness.

External seminars (hydration / In Iku drinking habit education)

The recent increase in heatstroke and other health issues related to hot and humid conditions raises the importance of maintaining proper hydration throughout the day. As a beverage manufacturer and distributor, we hold hydration seminars to help prevent dehydration and support public health.

We also conduct "In-Iku" (drinking habit education) seminars—educational sessions on smart beverage choices—to help customers select drinks that suit their lifestyle and health needs. In addition to highlighting the importance of hydration, these sessions offer practical

tips on understanding product labels, including ingredients, nutritional information, calorie content, and expiration dates, empowering participants to make informed choices.



We will continue to offer these valuable seminars that promote wellness to support our customers.

Expanding our Wellness Program nationwide to support health and productivity management

Among five bottler companies in Japan, including ours, has rolled out our Wellness Program nationwide to support health and productivity management for corporate customers.

This initiative allows companies with Coca-Cola vending machines to offer employees free access to the health management app asken and utilize drink tickets from the official Coca-Cola app Coke ON®*. Through this program, we support our customers' efforts to promote employee

Since launching in our business areas in May 2023,



we received interest from nationwide customers. As of 2024, we have extended the program across Japan in cooperation with all Coca-Cola Bottlers. In conjunction with this expansion, we also provide free online seminars for participating companies, offering practical guidance on healthy behaviors that can be applied in daily life.

Features of the Wellness Program

Members of the Wellness Program can participate in wellness challenges supervised by a registered dietitian to create a virtuous cycle of healthy behaviors that are enjoyable to continue. When they meet the diet and exercise goals recorded in the asken smartphone app customized for the program, they win Coke ON® drink tickets that can be used in approximately 500,000 eligible vending machines throughout Japan.

We also hold free-of-charge online seminars on the theme of healthy behaviors that can be implemented in daily life for employees of companies that have introduced the program, promoting better awareness of these behaviors, and we contribute to improving health policies at companies that have introduced the program through questionnaires.

Smartphone app image Wellness program-exclusive features 🗟 あすけん 従業員さまは、 専用アプリ(あすけん)と Coke ON®アプリをDL 達成したら ドリンクチケットGET! 間の対応自販機で引き換え可能 ①食事・健康記録 ②ウェルネスチャレンジ 72 a 食事・健康記録、AT学等士のアドバイス 発行されるコードでログイン。 ウェルネスプログラム専用側面へ 管理栄養士が考案したかんたんな 健康行動にチャレンジ!

*Coke ON® is a registered trademark of The Coca-Cola Company Limited.



Contributing to Local Community Development Through Business

Introduction

Through collaboration and communication with local communities and stakeholders, we carry out initiatives aimed at developing sustainable communities and addressing social issues. Leveraging our business activities, we contribute to the revitalization of local economies.

Conducting seminars for the community

We organize SDGs-themed seminars to raise awareness of our sustainability efforts. In 2024, in partnership with Hachioji City, we delivered lessons on environmental issues and PET bottle recycling to local elementary schools.



Moving forward. we will continue to prioritize communication with local communities as a beverage manufacturer and distributor.

SDGs Seminars

Employee sustainability education

We promote various initiatives based on the belief that raising employee awareness and changing behaviors contributes to both social value and the corporate growth of the CCBJH Group. To improve employees' understanding of sustainability, we regularly hold company-wide educational sessions focused on our non-financial CSV Goals. These

sessions are designed to raise internal awareness and are held throughout the year, covering a variety of themes relevant to both business operations and everyday work.



Donating beverages to food banks*

Since 2016, we have partnered with Second Harvest Japan (a member of the Alliance of Japan Foodbanks) and The General Incorporated National Association for the Promotion of Food Bank to regularly donate beverages to children's cafeterias and welfare facilities through local food bank organizations. As of 2024, we have delivered over 200,000 cases in total, including 33,058 cases (801,162 bottles) to 26 organizations in 2024 alone. We've received heartfelt letters from donation recipients, including handwritten notes and smiling photos from children, with messages like, "With your kind support, all of us are motivated to keep doing our best."

Food bank product donations (2024)

33,058 cases 801,162 bottles

Scholarship program

As an affiliate of the Coca-Cola Educational & Environmental Foundation, we offer grant-based scholarships to support talented young people and foster their development as future contributors to their communities. The program assists high school students with good character, academic excellence, and high aspirations who face financial barriers to university. The program also supports postgraduate students who demonstrated a strong interest in sustainability, which is a critical issue for society, and wish to pursue more specialized research in environmental fields.

Joint community projects across industry, academia, government, and the private sector

We partner with local governments, educational institutions, private organizations, and businesses to support initiatives that address local challenges and advance SDGs in Miyagi, Fukushima, and Mie Prefectures.

The Sendai Youth SDGs Award (Miyagi Prefecture)

Since 2017, with Sendai City and the non-profit organization Wakatsuku, we have hosted the Sendai Youth SDGs Award to recognize outstanding efforts by youth organizations working

to build a sustainable society and achieving SDGs. The award aims to create an environment where more young people can take an active role in shaping the future.



The final judging presentation

Ichimura Nature School in Kyushu

We operate and support Ichimura Nature School in Kyushu as part of our efforts to create shared value (CSV efforts) to address community and educational issues. Ichimura Nature School in Kyushu provides a natural setting where children can

develop independence, social skills, proactiveness, and creativity through activities such as cultivating and harvesting crops and working together as a team, on the principle of "learning how to live from Mother Nature."



^{*} Organizations and programs that collect surplus food—still safe and of good quality—that would otherwise be discarded. These donations from companies are then distributed to social welfare institutions and individuals in need.

Encouraging employee volunteers

Believing that employees are members of their local communities, we encourage them to take part in volunteer activities that contribute to society, such as social welfare, environmental cleanups, forest conservation, and grassland restoration. To support active participation, we provide a volunteer leave system and a work environment that makes volunteering accessible.

Community cleanup activities

In collaboration with our partners, we are actively engaged in addressing packaging waste and promoting a circular economy through local cleanup initiatives. These efforts include river and ocean cleanups aimed at improving the health of watersheds around our plants.

In 2024, a total of 2,376 employees participated in cleanup activities across multiple locations. In October, we also partnered with customers to conduct a cleanup and waste composition analysis-focusing on litter such as PET bottles-in Ebina City, Kanagawa Prefecture.





International Coastal Cleanup (ICC)

Joint cleanup with FamilyMart Co., Ltd.

Volunteer participation in community events

Our employees actively participate as administrative volunteers in local community events such as festivals and sporting

events. At the 2024 Yokohama Marathon. an annual event with over 20,000 runners, 17 employees volunteered at water stations, helping ensure runner safety and performance.



Yokohama Marathon water station volunteers

Plant tours

Communication through plant tours

We see plant tours valuable opportunity to engage directly with consumers, customers, and other stakeholders. Tour facilities are available at six of our 17 domestic plants: Zao (Miyagi Prefecture), Tama (Tokyo), Tokai (Aichi Prefecture), Kyoto (Kyoto Prefecture), Hiroshima (Hiroshima Prefecture), and Ebino (Miyazaki Prefecture).

These tour facilities abound in the Coca-Cola worldview, introducing more customers to our history and product line-up, including new products, so they can familiarize themselves with Coca-Cola products while seeing our production lines. We aim to be our stakeholders' trusted partner by sharing information about Coca-Cola's manufacturing processes, stringent quality control standards, and environmental and community initiatives in an easy-tounderstand manner during these tours.





Online summer schools

In addition to our regular plant tours, we host an online summer school each year as a special program during the summer break, making it accessible to participants who are unable to visit in person, such as those living in remote

The 2024 program featured an educational, simulationstyle story that followed the journey of water nurtured in forests as it became a PET bottle product, was delivered to customers, and then recycled. This engaging content helped participants learn with a sense of care for the environment.

In questionnaires after the event, we received feedback such as "Thank you for the opportunity to have fun online during summer break, when daily heatstroke alerts prevented us from going out," and "This led to a shift in awareness for my child."

Company sports

The CCBJH Group supports regional economic revitalization through its business. It also values the role that sports play in bringing joy and excitement to people and strengthening ties with local communities.

Our Coca-Cola Red Sparks Hockey Team, based in Hiroshima and a two-time champion in Japan's top league, holds sports clinics to promote a bright and vibrant community where anyone can thrive, enhancing sports enjoyment and skills as well as providing safe coaching methods.

We also offer educational programs led by paraathletes and deaf athletes that encourage understanding of disabilities and meaning of inclusivity through barrier-free sports experiences.

Globally active athletes—including our company Ambassador Shotaro Tsuoka, a member of the Japan Men's Sevens National Rugby Team—engage with participants to share the power of sports, inspire dreams, and create meaningful connections that transcend geography and physical ability.



he hockey team (Winner of the 2024 Premium Cup)

Para-athletes and deaf athletes (Class for creating a shared future)



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



Building a strong foundation that adapts to change and supports sustainable growth by promoting corporate governance

Executive Officer, Head of Legal, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer and CLO (Chief Legal Officer), Coca-Cola Bottlers Japan Inc.

Tomokazu Usagawa

Strengthening management supervisory functions and promoting rapid decision-making

Our Group has "We are the preferred partner for our customers" as our vision, and we are pursuing sustainable growth and the maximization of corporate value. We believe that achieving this requires a fair and solid management foundation that can effectively adapt to change, with corporate governance as a key element.

To enhance the soundness, transparency, and efficiency of our management and to increase our mid- to long-term corporate value and shareholder value, we have adopted the organizational design of a company with an Audit and Supervisory Committee. Through this, we will enable strengthened management supervisory functions and swift management decision-making, and will work to enhance our governance.

To realize our vision, the Board of Directors ensures independence and diversity among its members while making effective management decisions based on directors' high levels of expertise.

Building a strong management foundation that adapts effectively to change

To adapt to a rapidly changing business environment, in 2025 we actively incorporated new knowledge and skills

into the solid management foundation. Through this, we will more swiftly implement optimal management measures, taking structural changes into account. As we continue to improve the operation of the Board of Directors and enhance the appropriate sharing of information and exchanges of opinion with outside directors, we will strive to further strengthen governance through effectiveness evaluations based on counsel from external third parties.

We are the preferred partner for our customers

To deepen the trust of all of our stakeholders, we will provide information on the directions of our approaches and strategies, our progress toward strategic business plan, "Vision 2028," and other information in a timely, appropriate, and easily understood manner. We will also actively communicate through Investor Relations (IR) and Shareholder Relations (SR) to promote mutual understanding and resolve management issues, and will make use of this communication in formulating future management policies. As a foundation for building trust, we hold up "Integrity" as an important value for all executives and employees. We have also established the Code of Business Conduct & Ethics that is shared across our Group and enforces compliance with laws and regulations. Our Group will continue to be "the preferred partner for our customers" by building a flexible and solid management foundation and further enhance our governance.



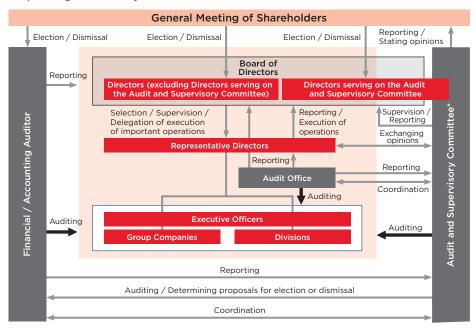
Organizational Design and Structure

Our basic stance on corporate governance is to seek improvement of management soundness, transparency and efficiency and increase mid- to long-term corporate value and shareholder value. As part of that stance, we established an Audit and Supervisory Committee and adopted an executive officer system to strengthen management oversight. We also operate our decision-making, management oversight, and business execution functions efficiently, placing an emphasis on making swift management decisions.

Strengthening management oversight

As a company with an Audit and Supervisory Committee, we delegate certain important business execution decisions to designated directors, allowing the Board of Directors to docus on matters of particular importance. In addition, when making key decisions such as nominating director candidates, appointing or dismissing senior management, and determining officer compensation, the Audit and Supervisory Committee, comprised entirely of outside directors (half of whom are independent), conducts prior deliberations. The Committee's reports are respected, and final decisions are made by the Board of Directors, of whom seven of the nine members are outside directors. This structure strengthens our management oversight functions.

Corporate governance system



^{*} Consisting of directors serving on the Audit and Supervisory Committee, including a majority of outside directors

Swift management decisions

In addition to delegating certain important business execution decisions to designated directors, we have adopted an executive officer system to enable faster operational execution. Material matters are also deliberated at key meetings by the president and/or vice president and heads of divisions including executive officers for expedited and appropriate decision-making.

Examples of key meetings attended by the management team

ELT* Meeting	At ELT meetings, major issues and strategic directions for the Company and cross- functions are discussed. A particular focus is placed on human resources topics from the perspective of human capital management.
Executive S&OP Meeting	At these meetings, mid- to long-term strategic business decisions are made based on supply and demand plans and financial information to optimize the entire supply chain in conjunction with sales operations.
Capital Committee	This committee manages the progress of capital investment plans, deliberates, and approves capital investment projects, as well as performs post-implementation verification for the purpose of appropriate management.
Ethics and Compliance Committee	This committee engages in activities including awareness and education activities related to ethics and compliance, operation of consultation desks, handling of compliance-related cases, and examination and implementation of measures to prevent recurrence of problems.
Sustainability Committee	The Sustainability Committee discusses and formulates policies and strategies on a range of sustainability issues, with a particular focus on climate change.

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

Structure of the Board of Directors and Audit and Supervisory Committee

Our Board of Directors is composed of nine members, including seven outside directors and four female directors. The Board is also diverse in terms of age and nationality. Each director brings extensive experience, strong expertise, and the necessary skills to support swift decision-making and promote effective operations, while ensuring transparency and fairness.

The Audit and Supervisory Committee is composed entirely of outside directors, including members with expertise in finance, accounting, and international law. The Committee audits the status of business execution and plays a key role in ensuring transparency and fairness. For important matters such as appointing or dismissing senior management, nominating director candidates, and determining officer compensation, the Committee conducts prior deliberations and issues a report before these matters are brought to the Board of Directors.

Virtual-only shareholders' meetings

Continuing from the last year, Ordinary General Meeting of Shareholders held in March 2025, we adopted a "virtual-only" format, conducting the meeting entirely online without a physical venue. This approach has been recognized as a pioneering initiative among shareholders' meetings in Japan

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Enhancing Board of Directors effectiveness

We are committed to improving the effectiveness of the Board of Directors by expanding the information provided to outside directors and conducting regular evaluations of the Board's effectiveness.

Information provision to outside directors and enhancing exchange of opinions

To strengthen deliberations by the Board of Directors, we hold individual meetings with outside directors in advance to deepen their understanding of proposals and exchange opinions to refine proposal content.

In May 2024, outside directors visited our plants in the Kansai region to gain firsthand knowledge of the manufacturing process and discuss ways to maintain and enhance safety standards





Effectiveness evaluations of the Board of Directors

Each year, our Board of Directors conducts an effectiveness evaluation and analysis based on selfassessments by directors, with advice from independent third-party organizations. The evaluation covers areas such as the Board's operations, support systems, and composition.

Additionally, we continuously seek to improve by collecting feedback from outside directors through questionnaires conducted after each Board meeting, allowing for timely enhancements to Board operations.

(1) Methods of evaluating the effectiveness of the Board of Directors

- ·We periodically conduct a questionnaire for all directors, with advice from an independent third-party organization.
- ·We identify issues based on the survey results and consider appropriate improvement measures.
- ·We review the progress made on addressing issues identified in the previous year's evaluation.

Main questionnaire items

- Composition of the Board of Directors
- Management of Board of Directors' meetings
- Discussions of Board of Directors meetings
- Monitoring function of the Board of Directors
- ·Support for directors (including Audit and Supervisory Committee members)
- ·Directors' own efforts
- •The Audit and Supervisory Committee

(2) Outline of the results

In evaluations conducted with advice from independent third-party organizations, the Company's Board of Directors received high marks for its diverse and expert composition and its operational structure, which enables free, vigorous, and constructive discussions. The most recent evaluation also confirmed significant improvements compared to 2023, particularly in the quality of materials provided at Board meetings and in initiatives and disclosures related to sustainability. Our results far exceeded the industry average. Based on these findings, the Company recognizes that the effectiveness of the Board of Directors continues to steadily advance. Going forward, the Company will continue to conduct questionnaires immediately after each Board meeting to capture and reflect directors' feedback in a timely manner.

We will also work to deliver Board materials swiftly and appropriately, and further expand deliberation opportunities to address changes in the business environment.

To foster more active discussions at Board meetings, we will maintain individual advance briefings for each director and proactively pursue operational improvements to further enhance the Board's effectiveness

responsibilities by utilizing

data from compensation

organizations and taking

compensation provided at

companies of similar scale

the intent to provide a level

nationality, experience, and other factors

set according to the role

of the director by utilizing

data from compensation

surveys conducted by

considering the level of

compensation provided

at domestic companies

external research

organizations and

of similar scale.

in similar industries with

enables recruitment and

of compensation that

retention of talented

people who are highly

diverse in terms of

into account the level of

domestic and overseas

surveys performed by

external research

companies such as

Officer Compensation System

The policy for determining compensation for officers shall be determined upon deliberation by the Audit and Supervisory Committee and approval by the Board of Directors. The current policy (policy for determining compensation for directors, etc.) has been resolved by the Board of Directors on February 9, 2023, and February 14, 2024.

Basic policy

CCBJH Group has designed our officer compensation system on the basis of the following policy. Subject to the system at the end of December 2024 are two executive directors, seven supervisory officers (directors who are Audit and Supervisory Committee members and outside directors who are not Audit and Supervisory Committee members), and nine executive officers.

shall be delegated to a representative director

director in accordance with the "Policy for

Determining Compensation for Directors, etc.' after the terms of compensation are deliberated by the Audit and Supervisory Committee within the total amount determined by the resolution of the General Meeting of Shareholders.

upon resolution by the Board of Directors, and the

amount shall be determined by the representative

Overview of the officer compensation system

Approval of compensation including the amount · Compensation is decided · The Company sets the level of performance-linked compensation for executive according to the and structure of compensation directors shall be delegated to the representative to enable hiring and retaining director upon resolution by the Board of Directors, talented people from the and the amount shall be determined by the perspective of diverse representative director in accordance with the Directors Officers nationalities and experience. "Policy for Determining Compensation for Directors and other Officers" approved by the The compensation Board of Directors within the total amount composition ratio will determined by the resolution of the Genera emphasize performance-linked Meeting of Shareholders after the terms of compensation, resulting in compensation are deliberated by the Audit and providing sufficient incentives Supervisory Committee composed solely of for profitable growth. outside directors in order to enhance the transparency and objectivity of procedures for The Company will introduce determining compensation. the system to further improve mid- to long-term corporate value and reinforce alignment of interests with shareholders. Compensation level and The compensation for individual directors serving Compensation levels are structure that is appropriate as on the Audit and Supervisory Committee is roles in managerial supervision proposed to the Audit and Supervisory Committee and auditing and determined upon consultation with directors serving on the Audit and Supervisory Committee Supervisory Officers within the total amount determined by the resolution of the General Meeting of Shareholders. · The compensation for outside directors not serving on the Audit and Supervisory Committee

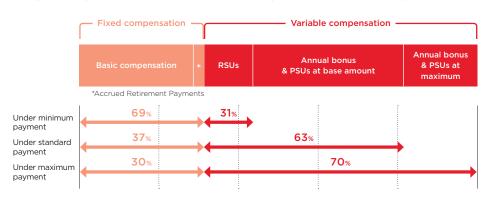
Compensation system for executive directors and executive officers

Compensation for executive directors and executive officers consists of fixed compensation and variable compensation that varies with factors such as corporate performance, to reflect responsibilities and contribution to corporate performance. The standard amount of compensation is set according to the scale of responsibilities. The greater the responsibilities, the higher the percentage of variable compensation.

Range of standard amounts of compensation: Image when basic compensation is set to 100



Image of compensation structure (in case of the representative director and president)



^{*}Performance Share Units (PSUs) and Restricted Stock Units (RSUs)

Compensation structure for executive directors (or directors)

Fixed compens				
Basic compensation	Monthly payment of an amount determined based on responsibilities.			
Retirement payments	10% of annual base salary is retained, and the accumulated amount is calculated and paid upon their retirement. This payment may be reduced or withheld altogether if the recipient has caused significant damage to the CCBJH Group or been subject to disciplinary action. It may also be specially increased where the recipient has made a particularly distinguished contribution. Any reduction, withholding, or special increase will be decided at the Board of Directors meeting, based on deliberation by the Audit and Supervisory Committee.			

Variable compensation

- · Provided at a certain point in the year as an incentive for achieving performance targets for each fiscal year.
- The target amount is set in the range of 30% to 85% of base salary, depending on their responsibilities. · The amount of payment varies in the range of 0% to 150% of the target

Annual bonus

fiscal year (companywide performance and individual evaluations). · To provide motivation to achieve profitable growth, business income, sales volume, and net sales have been adopted as measures for evaluating companywide performance, based on the Company's policy regarding the determination of compensation.

amount depending on the achievement of performance targets in each

 The amount to be paid may be adjusted if the Audit and Supervisory Committee deliberated it necessary to do so, taking into consideration the status of payment of bonuses to employees.

Long-term incentives

- Two types of stock-based compensation systems, (1) PSUs and (2) RSUs, are adopted as long-term incentives.
- The basic amount of all long-term incentives (1) PSUs + (2) RSUs is set in the range of 15% to 100% of Basic compensation based on the responsibilities. 50% of this basic amount is set as the basic PSU amount, and 50% is set as the basic RSU amount.
- With regard to (2) RSUs, additional grants for the purpose of retention, etc., may be made in addition to the above-mentioned basic RSU amount, and in the case of directors, up to the compensation limit detailed on the right if deemed necessary by the Audit and Supervisory Committee (Special RSUs).
- (1) PSUs (Performance Share Units)
- · Granted as an incentive for achieving mid- to long-term performance
- The number of shares to be issued shall be determined within the range of 0% to 150% of the basic PSU amount depending on the achievement of performance targets (only considering companywide performance) over the three years after the share units have been granted.
- A part of the shares to be issued shall be paid in cash for the purpose of allocating funds for the payment of tax obligations, etc.
- · To provide motivation to enhance corporate value over the mid- to long-term, consolidated ROF and consolidated sales growth rate have been adopted as measures for evaluating performance, based on the Company's policy regarding the determination of compensation for directors, etc.

(2) RSUs (Restricted Stock Units)

- · Granted for the purpose of aligning interests with shareholders, creating incentives to increase corporate value, and strengthening retention of talented people.
- · A predetermined number of shares are issued at retirement.
- A part of the shares to be issued shall be paid in cash for the purpose of allocating funds for the payment of tax obligations, etc.

The portion of the compensation shown on the left provided to directors will not exceed the following amount.

Compensation limit for Directors (excluding directors serving on the Audit and Supervisory Committee): 850 million yen per year (approved by Resolution No. 5 of the 2019 Ordinary General Meeting of Shareholders) (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee)

In cases where the Audit and Supervisory Committee has deliberated and deemed it necessary, payments within 850 million yen may be made for fringe benefits such as compensation for exchange rate fluctuation between other countries and Japan, housing allowance, etc.*

The portion of the compensation shown on the left provided to directors will not exceed the following amount.

Compensation limit for Directors (excluding Directors serving on the Audit and Supervisory Committee): The maximum number of shares is 2.880 million yen and 1,800,000 shares for three fiscal years (approved by Resolution No. 5 of the 2022 Ordinary General Meeting of Shareholders) (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee):

Payment of compensation to directors in 2024

Growth Strategies to Enhance Corporate Value

Directors' compensation

Positions	Total	Types of compensation (millions of yen)				Headcount
	compensation (millions of yen)	n) Basic Retireme			Long-term incentives*3	of officers (people)
Directors (excluding directors serving on the Audit and Supervisory Committee) (Of which outside directors)	1,112 [49]	532 [49]	24 [-]	256 [-]	300 [-]	5 [3]
Directors (serving on the Audit and Supervisory Committee) (Of which outside directors)	72 [72]	72 [72]	_ [-]	_ [-]	_ [-]	4 [4]
Total (Of which outside directors)	1,183 [121]	604 [121]	24 [-]	256 [-]	300	9 [7]

Total amount of compensation, etc., for those whose total compensation, etc., amounts to 100 million yen or more

		Total compensation based on each category (millions of yen)				Total
Name Position	Basic compensation* ²	Retirement payments	Annual bonus	Long-term incentives*3	compensation (millions of yen)	
Calin Dragan	Representative Director	294	16	180	212	703
Bjorn Ivar Ulgenes	Representative Director	189	8	75	87	360

^{*1} Regarding fringe benefits, to support the execution of assignments outside the home country, compensation for exchange rate fluctuation between other countries and Japan, housing allowance, etc., are provided in accordance with the internal regulations approved at the Board of Directors meeting through deliberations by the Audit and Supervisory

^{*2} Basic compensation includes an amount equivalent to fringe benefits (compensation for difference in tax rates between other countries and Japan, housing allowances, etc.), etc.

^{*3} Long-term incentives include PSUs and RSUs.

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External Activities

Through timely and appropriate disclosure of information and constructive dialogues with shareholders and investors, we shall promote their understanding of the Company, leading to sustainable growth and enhanced corporate value over the mid- to long-term.

Promotion of engagement through IR and SR activities

In 2024, as part of our IR*1 activities, we held over 300 meetings with analysts and investors who make up the capital market. Additionally, we held dialogues aimed at sustainable growth for the Company with shareholders as part of our SR*2 activities. Top management, including representative directors, took part in these IR and SR activities as needed.

In these dialogues, we exchanged opinions on the progress of our strategic business plan "Vision 2028"; sustainability initiatives such as ESG initiatives and our people strategy; governance systems; and other matters to promote mutual understanding. We also received opinions on improvements that investors would like to see and how information should be provided.

In addition to these meetings, top management regularly provides information at earnings presentations and through other methods. We also webcast our earnings presentations in Japanese and English and strive to participate actively in investor conferences held both domestically and internationally.

Going forward, through repeated constructive discussions with shareholders and investors, we will continue to engage in activities that will lead to enhanced corporate value by increasing mutual understanding and trust.

Main IR activities in 2024

Category	2024 results	Details
Earnings presentations	4 times	Quarterly earnings presentations were held by the president and CFO. The presentation content is available via webcast on the Company's website. (https://en.ccbj-holdings.com/ir/library/presentation.php)
IR meetings with analysts and institutional investors	About 310 times About 680 people	Meetings and conference calls were held with analysts and institutional investors. Top management took part as needed.
Participation in domestic and overseas conferences	7 times	Five times in Japan, and twice overseas. Top management took part as needed.
Other IR briefings	3 times	IR briefing includes executive small meetings and plant tours.

Policy on cross-shareholdings

In principle, the Company has a policy of not owning so-called cross-shares. However, there are cases in which the Company acquires and holds such shares to create business opportunities and maintain and strengthen its relationships with business partners and local communities. The Company shall evaluate and report on the cost of holding major crossshareholdings and the return on investment thereof in Board of Directors' meetings, and work on reducing cross-shareholdings based on such evaluation.

Shareholding status of Coca-Cola Bottlers Japan Inc.

Number of company brands and the amount recorded on the balance sheet

	Number of company brands (brands)	Total amount recorded on the balance sheet (millions of yen)
Non-listed shares	81	2,068
Shares other than non-listed shares	10	4,248

Brands for which the Company increased the number of shares in this fiscal year

	Number of company brands (brands)	Total amount spent to increase the number of shares held (millions of yen)	Reason for increasing the number of shares
Non-listed shares	_	_	_
Shares other than non-listed shares	2	3	The Company increased the number of shares of these company brands as it is a member of the shareholding associations of the counterparty companies.

Brands for which the Company decreased the number of shares in this fiscal year

	Number of company brands (brands)	Total amount received from selling and decreasing the number of shares (millions of yen)
Non-listed shares	7	775
Shares other than non-listed shares	8	1,554

Data Section

^{*1} IR: Investor Relations

^{*2} SR: Shareholder Relations

Board of Directors: List of Directors (as of March 26, 2025)

Directors



Representative Director and President

Calin Dragan

Attendance at Board of 6/6 Directors meetings No. of Company 10,107 shares owned

Calin Dragan has nearly three decades of experience working for Coca-Cola bottlers globally, including in Japan. Most recently, he served as president of The Coca-Cola Company Bottling Investments Group.



Representative Director and Vice President, CFO

Biorn Ivar Ulgenes

Attendance at Board of 6/6 Directors meetings No. of Company 4,042 shares owned

Bjorn Ivar Ulgenes has considerable financial experience in the Coca-Cola System in Europe, the Middle East, Africa, and Japan. Most recently, he served as Deputy Finance Director of the Europe, Middle East & Africa (EMEA) Group, The Coca-Cola

Outside Directors



Outside Director Hiroko Wada

Attendance at Board of 6/6 Directors meetings No. of Company shares owned

Hiroko Wada has extensive experience in marketing, management, and organizational/HR development in the consumer goods industry. Previously, she served as an officer for The Procter & Gamble Company (U.S.A.) as well as a Representative Director of Dyson Ltd. and of Toys"R"Us-Japan, Ltd.



Outside Director

Attendance at Board of 6/6 Directors meetings Hirokazu Yamura No. of Company shares owned

Hirokazu Yamura has worked for Coca-Cola bottlers in Japan for around 20 years. Currently, he serves as Representative Director and President of Michinoku Coca-Cola Bottling Co., Ltd.



Outside Director

Attendance at Board of 6/6 Directors meetings

Celso Guiotoko No. of Company shares owned

Celso Guiotoko has experience with IT and supply chains at multinational corporations. He has abundant management experience and audit experience through work at Nissan Motor Co., Ltd., Nishimoto Co., Ltd., and JERA Co., Inc.



Outside Director (Audit and Supervisory Committee Member)

Stacv Apter

Attendance at Board of 6/6 Directors meetings No. of Company shares owned

Stacy Apter has global corporate management experience in financial risk supervision, corporate risk management, and support for the Board of Directors of The Coca-Cola Company. She currently serves as Senior Vice President, Treasurer, and Head of Corporate Finance of The Coca-Cola Company.



Outside Director (Audit and

Supervisory Committee Member) Nami Hamada

Attendance at Board of 6/6 Directors meetings No. of Company shares owned

Attendance at Board of

6/6

Nami Hamada has extensive experience in finance and accounting as well as experience leading her own financial consulting firm. She has served in management positions at Lehman Brothers Japan Inc. and as an outside director of Shimadzu Corporation and MetLife Insurance K.K.



Outside Director (Audit and Supervisory Committee Member)

Directors meetings No. of Company Sanket Ray shares owned

Sanket Ray has demonstrated strong leadership, particularly in commercial roles, at The Coca-Cola Company and has global management experience in the Asia region. He currently serves as President of the company's India and Southwest Asia Operating Unit..



Outside Director (Audit and Supervisory Committee Member)

Rika Saeki

Attendance at Board of Directors meetings No. of Company

shares owned

Rika Saeki is an attorney licensed to practice law in the state of Illinois, U.S.A. She has extensive experience with support for M&A and international alliances, as well as providing counsel regarding corporate governance. She also serves as an outside director on the Audit and Supervisory Committee of Shinko Electric Industries Co., Ltd. **Corporate Governance** Introduction Value Creation Story Growth Strategies to Enhance Corporate Value Foundations Supporting the Corporate Value Growth Data Section

Board of Directors: Appointment of Outside Directors and Independence Criteria

Appointment of outside directors

Three of the five directors (excluding directors who are members of the Audit and Supervisory Committee) and all four directors who are members of the Audit and Supervisory Committee are outside directors. As outside directors, the Company nominates people it deems will contribute to increasing the corporate value of the Company. We consider our outside director (including candidates) sufficiently independent when all of the following criteria are found to be irrelevant to him/her as a result of our reasonably possible range of investigation.

Independence standards for outside directors

We consider our outside director (including candidates) sufficiently independent when all of the following criteria are found to be irrelevant to him/her as a result of our reasonably possible range of investigation:

- (a) Currently or within the past year, the person works/ worked in the Company or its subsidiary.
- (b) Currently or within the past year, the person is/was a major business partner (the Group accounts for 2% or more of whose consolidated net sales in the most recent fiscal year) or works/worked in the business
- (c) Currently or within the past year, the person is/was a major business partner (which accounts for 2% or more of our consolidated net sales in the most recent fiscal year) or works/worked in the business partner.
- (d) Currently or within the past year, the person is/was a consultant, a certified public accountant, an attorney, or other receiving annual compensation of 10 million yen or more from the Company, in addition to officers' compensation.
- (e) Currently or within the past year, the person is/was a recipient of donations of 10 million yen or more per year from the Company, or works/worked in the recipient entity; and
- (f) Relatives within the second degree of kinship of those falling under (a) to (e) above.

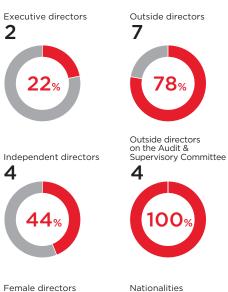
Reasons for appointment of outside directors

Category/Name	Independent director Reasons for appointment
Outside Director Hiroko Wada	The Company has appointed Hiroko Wada as a director (outside director) in order for her to utilize, for the management of the Company, the considerable experience and global knowledge she has gained thus far as officer at The Procter & Gamble Company and as Representative Director at Dyson Ltd. and Toys"R"Us-Japan, Ltd. There is no relationship of special interest between her and the Company, and no risk that conflicts of interest with general shareholders. Therefore, the Company has designated her as an independent director.
Outside Director Hirokazu Yamura	The Company has appointed Hirokazu Yamura as a director (outside director) in order for him to utilize, for the management of the Company, the considerable experience and knowledge he has gained thus far as the Representative Director and President of Michinoku CCBC. The Company also has transactions with the group companies of Michinoku CCBC. In addition, the trading prices and other terms and conditions applied to these transactions are fair and consistent with the trading prices and other terms and conditions applied to transactions with other trading partners. We therefore believe that these group companies of Michinoku CCBC pose no risk of obstruction of our free and fair business activities. Relationship with the Company: The Company has a business relationship with Michinoku CCBC that includes the buying and selling of products. The amount of sale of products, etc. to Michinoku CCBC is equivalent to 0.5% of the Company's consolidated net revenue, and the amount of purchase of products, etc. from Michinoku CCBC is equivalent to 3.3% of the consolidated revenue of Michinoku CCBC.
Outside Director Celso Guiotoko	The Company has appointed Celso Guiotoko as a director (outside director) in order for him to utilize, for the management of the Company, the considerable experience and global knowledge he has gained through work at Nissan Motor Co., Ltd. ("Nissan"), Nishimoto Co., Ltd. as well as JERA Co., Inc. There is no relationship of special interest between him and the Company, and no risk that conflicts of interest with general shareholders. Therefore, the Company has designated him as an independent director.
Outside Director (serving on the Audit & Supervisory Committee) Stacy Apter	Stacy Apter is Senior Vice President and Treasurer, Head of Corporate Finance of The Coca-Cola Company, who has demonstrated strong leadership and support to the Board of Directors, particularly in a variety of fields such as global financial risk oversight and enterprise risk management at The Coca-Cola Company. Based on her extensive experience as a global corporate executive, she is expected to provide advice as a director serving on the Audit and Supervisory Committee on all areas including decision making related to important managerial decisions, handling of expected risks and the internal control system, and the Company has appointed Apter as a director serving on the Audit and Supervisory Committee (outside director). Relationship with the Company: The Company has entered into contracts for manufacturing and sales of Coca-Cola and other products and use of trademarks, etc. with The Coca-Cola Company.
Outside Director (serving on the Audit & Supervisory Committee) Nami Hamada	Nami Hamada has considerable experience on finance and accounting gained as a proprietor of her own finance consulting company and considerable experience and global expertise gained as a corporate executive at Lehman Brothers Japan Inc. and possesses management supervisory experience as outside director at Shimadzu Corporation and MetLife Insurance K.K. Based on her extensive experience as a corporate executive and her expertise in the field of finance, she is expected to provide advice as a director serving on the Audit and Supervisory Committee on all areas including decision making related to important managerial decisions, handling of expected risks and the internal control system, and the Company has appointed Hamada as a director serving on the Audit and Supervisory Committee (outside director). There is no relationship of special interest between her and the Company, and no risk that conflicts of interest with general shareholders. Therefore, the Company has designated her as an independent director.
Outside Director (serving on the Audit & Supervisory Committee) Sanket Ray	Sanket Ray is President of India and Southwest Asia Operating Unit of The Coca-Cola Company, who has demonstrated strong leadership in mainly commercial at The Coca-Cola Company and has considerable management experience as a manager at business units in the Asia region. Based on his extensive experience as a global corporate executive, he is expected to provide advice as a director serving on the Audit and Supervisory Committee on all areas including decision making related to important managerial decisions, handling of expected risks and the internal control system, and the Company has appointed Ray as a director serving on the Audit and Supervisory Committee (outside director). Relationship with the Company: The Company has entered into contracts for manufacturing and sales of Coca-Cola and other products and use of trademarks, etc. with The Coca-Cola Company.
Outside Director (serving on the Audit & Supervisory Committee) Rika Saeki	Rika Saeki is an attorney licensed to practice law in the State of Illinois, U.S.A., and is registered in Japan with the Daini Tokyo Bar Association as a Foreign Special Member. She has considerable experience at Masuda Funai Eifert & Mitchell and Morrison & Foerster with mergers and acquisitions and international alliances involving companies in a variety of sectors including food, pharmaceuticals, and technology, as well as providing critical advice on corporate governance and other matters. She also possesses management supervisory experience with respect to domestic companies based on her position as an outside director serving on the Audit and Supervisory Committee of Shinko Electric Industries Co., Ltd. Based on her extensive experience as a foreign attorney and an outside director serving on an Audit and Supervisory Committee, she is expected to provide advice as a director serving on the Audit and Supervisory Committee on all areas including decision making related to important managerial decisions, handling of expected risks, corporate governance and internal control system, and the Company has appointed Saeki as a director serving on the Audit and Supervisory Committee (outside director). There is no relationship of special interest between her and the Company, and no risk that conflicts of interest with general shareholders. Therefore, the Company has designated her as an independent director.

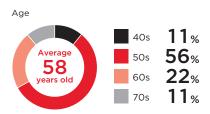
Board of Directors: Attributes of Directors and Skills Matrix

Our Board of Directors consists of individuals who bring expertise in a variety of areas, including business management, finance and sustainability, as well as global insight, to ensure a well-balanced overall structure.

Attributes of Board members (As of March 26, 2025)







Skills matrix

	Assumption of office	Term of office (Years)	Outside directors	Audit & Supervisory Committee members	Independent directors	Skills					
Name						Corporate management		Food and beverage industry	Finance / Audit	Sustainability / CSV	Legal / Risk management
Calin Dragan	March 2019	1				•	•	•			
Bjorn Ivar Ulgenes	March 2019	1				•	•	•	•		
Hiroko Wada	March 2019	1	•		•	•	•			•	
Hirokazu Yamura	March 2020	1	•			•		•		•	
Celso Guiotoko	March 2023	1	•		•		•	•	•		
Stacy Apter	March 2023	2	•	•			•	•	•		•
Nami Hamada	March 2019	2	•	•	•	•	•		•		
Sanket Ray	March 2023	2	•	•		•	•	•			
Rika Saeki	March 2025	2	•	•	•		•				•

Criteria for determining the necessary skills possessed by directors

The Company assesses the expertise and experience possessed by directors based on the following criteria.

Category	Criteria			
Corporate management	The person has experience as a representative director, CEO, COO, etc.			
Global business	• The person has knowledge of global business experience as a person holding a managerial position equivalent to, or higher than, department manager, of a person with similar knowledge.			
Food and beverage industry	The person has experience holding a position equivalent to, or higher than, department manager at a company handling food and beverages, or a person with similar knowledge.			
Finance / Audit	 The person has experience holding a position equivalent to, or higher than, department manager in a finance and accounting department, or a person with similar knowledge. The person has a national qualification for finance or accounting, such as a certified public accountant. 			
Sustainability / CSV	The person has experience holding a position equivalent to, or higher than, department manager of sustainability or CSV department, or a person with similar knowledge.			
Legal/Risk management	 The person has experience holding a position equivalent to, or higher than, department manager in a legal and risk management department, or a person with similar knowledge. The person has legal qualifications, such as an attorney at law. 			

Strengthening oversight functions to enhance corporate governance

Recognizing the efforts of the executive team

I have noted the company's remarkable recovery over the past few years. Following the formulation of "Vision 2028," we have seen steady progress in line with the plan-progress that required significant time and effort to achieve.

The current structure, which includes executive directors and outside directors, was established in early 2019, shortly after the introduction of the holding structure following the bottler integration. Just as we were about to implement initiatives to realize the benefits of integration—such as leveraging the scale that has made us one of the world's leading bottlers—the COVID-19 pandemic struck. Our company, which has the largest number vending machines in the beverage industry, was significantly impacted. We were even forced to temporarily suspend interim dividend payments.

Following the announcement of "Vision 2028" in August 2023, the executive team has, in my view, demonstrated extraordinary efforts to recover from that predicament and delivered a business income six times higher than the previous year.

Executive Directors are seasoned executives who have navigated tough times in the Coca-Cola system. We outside directors have provided oversight based on diverse and specialized perspectives, grounded in our respective areas of expertise. As a result, the Board of Directors functions as a "Monitoring Board" with an emphasis on the outside directors' oversight function leading to this excellent outcome.

Contribute to enhanced governance through an independent perspective

As an outside director and a member of the Audit and Supervisory Committee, I pay close attention to ensuring that audits conducted by the internal audit department and external audit firms are carried out effectively. We also play a key role in corporate governance by examining whether various internal systems are functioning properly and make recommendations to improve governance from an independent standpoint.

For example, one of our initiatives following the announcement of "Vision 2028" was the establishment of NeoArc Inc., a joint venture with Accenture Japan Ltd. This was a revolutionary initiative in Japan, that aims to transfer back-office functions and further promote the standardization and automation of business processes.

In addition to establishing an effective governance system for the joint venture, we hold discussions on how to monitor functions and express opinions in collaboration with external partners.

Leveraging current strengths and providing expertise-based advice

Going forward, our role is to continue supervising whether the executive team's decisions of AI implementation and the accompanying drastic changes are appropriate.

Our company's Board of Directors adopts a Westernstyle structure, featuring a large number of outside directors with diverse nationalities, genders, and skill sets, who play a

management oversight role—a practice still rare in Japan.

Another distinctive aspect of the Board is its open environment where we have candid discussions with the executive directors whenever questions arise.

We will continue to leverage these strengths and provide oversight based on our areas of expertise.



Message from Outside Director

Overseeing disciplined corporate management by providing expert perspectives

Significant growth in 2024, steady progress toward strategic business plan, "Vision 2028"

The year 2024 will be remembered as a time of significant growth. We achieved 2.8% revenue growth compared to the previous year because of strong performance, two price revisions, and enhanced channel strategies. We improved operational efficiency through business transformation and effective cost management, reaching income of 12 billion ven - six times greater than the prior year. Furthermore, we announced comprehensive shareholder return initiatives, including increased dividends, a share buyback of up to 30 billion yen, and a shareholder benefits program. We believe we are making steady progress toward profitable growth,



as outlined in "Vision 2028." Our employees' dedication and pride in delivering quality products and services, combined with strong customer, consumer, and partner relationships, have led to these achievements.

Focus on transparent compensation and an effective Board of Directors

I strive to gather as much information as possible about the proposals discussed at Board meetings so I can understand them in detail. Through steady communication with executives, I help oversee the business based on my career experience in corporate management, finance, human resources, and the beverage industry. By maintaining a clear understanding of the Company's business, I am better able to fulfill my responsibilities as an outside director and member of the Audit & Supervisory Committee. We audit directors' execution of duties, select director candidates, oversee the internal control system, and prepare audit reports, all of which contribute to enhanced corporate governance and risk prevention.

As a member of the Audit & Supervisory Committee, I am also committed to pursuing two key initiatives. The first is a voluntary nomination and compensation committee. As expectations continue to grow for stronger corporate governance, there is a need to ensure transparency in executive appointments and compensation. I intend to initiate a Board-level discussion on this matter in the first half of 2025.

The second is to enhance the effectiveness of the Board of Directors by leveraging the expertise of a third-party organization. While we have already been working with

external experts, I intend to strengthen these efforts. Through surveys and interviews with outside directors, we can assess the current state of the Board's operations and evaluate the effectiveness of its decision-making. Based on these insights, we can develop improvement plans, discuss them in directors' workshops, set priorities, and put them into action one by one. As a member of the Audit and Supervisory Committee, I plan to drive these measures forward and contribute to further enhancing our corporate governance.

Improving decision-making in a diverse environment

Our Board includes a high percentage of female directors and members with diverse nationalities and professional backgrounds. We engage in vigorous discussions, drawing on the global knowledge and expertise of members across a wide range of fields. These diverse perspectives support sound decision-making and enhance the effectiveness of the Board. We also discuss ESG measures based on global standards.

It is essential for outside directors to offer objective opinions, elevate the quality of Board discussions, and oversee business decisions from the perspective of compliance to ensure they align with the interests of our shareholders and customers.

My recommendations will continue to be based on my business experience, with a focus on ensuring compliance and disciplined corporate management. Our intent is always to live up to the trust and expectations of our shareholders and investors.

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

Ethics and Compliance

We value integrity—acting with noble intentions based on sincerity and trust. In any situation, we expect everyone in the CCBJH Group to act correctly and honestly with integrity and to be responsible for their own actions in accordance with standards and laws.

Ethics and compliance policies

To remain a company that grows sustainably alongside society, the CCBJH Group must fulfill its social responsibilities, and its employees must always act responsibly. Toward this end, we have established the Coca-Cola Bottlers Japan Holdings Group Code of Business Conduct & Ethics and are working to foster a corporate culture rooted in ethics and compliance. Integrity—acting with noble intentions based on sincerity and trust—is one of our core values. The Code addresses four areas; appropriate conduct, respect for human rights, relationship with stakeholders, and conflicts of interest. All employees are required to comply with applicable laws and regulations as well as the Code, internal rules, and workplace principles. We expect employees to act with integrity and honesty, to think before they act, and to seek guidance when in doubt.

Compliance training

To further foster and instill high ethical standards and compliance awareness within the Group, we regularly share ethics and compliance bulletins with all employees. We also conduct ongoing awareness and education activities, including e-learning programs for all employees and targeted training for groups such as management and new employees.

Ethics and compliance reporting hotline

Our Ethics & Compliance Reporting Hotline provides an email address and telephone number that employees can use—anonymously if desired—to directly discuss potential violations of the Code of Business Conduct & Ethics. We are working to raise awareness and encourage use of the hotline by sharing information on our intranet, in ethics and compliance bulletins, and through workplace posters. We investigate reported matters and take appropriate action and corrective measures for any confirmed violations. We also respond to consultation requests from consumers and customers submitted via our website. We are committed to protecting employees throughout the consultation process and prohibit any disadvantageous treatment of those who file reports.



Ethics and Compliance Poster

Anti-bribery policy

Our Anti-Bribery Policy aims to help all employees, including directors and officers, better understand anti-bribery laws and regulations to prevent unintentional violations and identify issues that require action. We promote understanding and recognition of the importance of this policy, along with the practice of compliance in everyday work.

We also prohibit fraudulent payments or the provision or receipt of any other illicit benefits to or from private individuals or corporations.

Growth Strategies to Enhance Corporate Value



Developing resilience through risk management as a foundation for profitable growth

Head of the Risk Management Senior Group Coca-Cola Bottlers Japan Inc.

Gerold Knight

We operate in a complex and volatile business environment that presents Japanese businesses with similar challenges. I believe that what differentiates companies that survive and thrive to profitable growth, from those that struggle, is the ability to identify risks and manage through them while identifying profitable growth opportunities and leveraging them with speed and agility. Where a risk cannot be prevented, or indeed predicted, successful companies rely on robust crisis response mechanisms to manage emerging issues and seize resulting opportunities. We are one of those companies.

Business resilience program

Our business resilience program embeds the skills, processes and mindset in our people that enable us to proactively manage risks, while taking smart risks that allow us to grow sustainably to meet our "Vision 2028" objectives. Central to our program are empowered teams that understand and respond with agility to risks and opportunities; have agile leadership capabilities to respond to a crisis; and programs that develop our people and processes to support a longterm resiliency strategy.

Our program incorporates ongoing reviews of our changing business environment, the assessment of both current and over the horizon risks together with identifying growth opportunities. Our people develop and implement

plans to manage key risks, and we maintain a focus on being able to continue operations and serve our customers in the event of disruptions.

Integration of the programs is key

We have continued the development of our holistic business resilience program through the integration of enterprise risk management, insurance, security, business continuity and crisis management into a seamless interconnected program. The Risk Management Senior Group (RMSG) supports the Board of Directors and the ELT* by providing a broad perspective on key risks and opportunities.

Our business understands the importance of early risk identification to prevent their occurrence or a reduction in their negative impacts. Conversely, early opportunity identification enables us to take advantage of opportunities in an agile way. Where an event is unforeseen or an incident occurs our robust emergency, crisis response and business continuity plans guide us on minimizing impacts. Annually we conduct an evaluation of the type and amount of insurance purchased and our approach to insurance financial risk transfer is influenced by the availability of insurance cover and cost, measured against the probability and magnitude of the covered risk.

Governance and accountability

The Board retains overall accountability and responsibility for risk management and our internal control systems, and, through the Audit and Supervisory Committee (ASC), reviews the effectiveness of these systems. The RMSG presents quarterly to the ASC and twice annually to the full Board where our key current and over the horizon risks and opportunities, including those associated with climate change and cyber security, are discussed and evaluated.

We maintain our visibility of risks and opportunities through regular ELT dialogue and quarterly senior manager participation in our Risk Management Forum which focuses on risk and opportunity identification and ensures that accountability for risk management controls and mitigations are clearly assigned.

The core elements of the program are regularly audited by Internal Audit and our external auditors against global best practice.

Key reportable risks

The key reportable risks are compiled from a detailed analysis of internal and external data points. The list does not include all risks that could ultimately impact our company as there are risks that are not yet known to us, and risks currently evaluated to be immaterial that could ultimately have an impact on our business or financial performance. Linked to our sustainability program we identified risks and opportunities facing our business from environment, society and climate change. Through the proactive cross functional management of climate risks, we are responding to the requirements of TCFD and TNFD.

While in 2024 we did not observe material changes to our reportable risks, we did see reprioritization of risks as illustrated in the table on pages P. 73 and 74.

Looking to the Future: Over the Horizon Risks

Introduction

Value Creation Story

Our external monitoring and internal risk dialogue enables us to remain vigilant to the changes in our risk environment both now and for the future. We actively discuss over the horizon risks that we may face, and these include but are not limited to:

- PFAS: the risk of their potential presence in water sources, packaging materials and processing equipment and increasing stakeholder concerns relating to potential health issues.
- Technology: with rapid advances in technology, including the role and use of Al, there is a risk that in the future we do not keep pace with change, or identify ways in which to leverage most effectively.
- Geopolitical tensions and conflict: Our operating environment remains volatile and global issues can impact Japanese businesses through supply chain disruptions, market volatility, cyber security threats, and energy security due to a dependence on imported energy with a potential for price spikes of raw materials and shortages due to conflict.

Case Study: Resilience to Natural Disasters

Robust crisis management is the key to an agile response to a major earthquake or typhoon. CCBJH maintains a program focused on minimizing business impact from large-scale natural disasters. The primary focus is people safety using local emergency response plans and for continuity of operations, where manufacturing, logistics or sales may be impacted, using documented and tested business continuity plans. The crisis management program includes annual training and testing of the operational Incident Management Team (IMT) and the executive team to ensure that leadership capabilities are strengthened and the program refined in response to external changes. This is supported by an insurance program that provides the Company with financial protection in the event of natural disasters and for major earthquakes this leverages both the captive insurance entity*1 and specialized parametric coverage*2.

Synchronized Crisis Management Process

Executive Leadership Team (ELT*1)

- Makes decisions at the executive level based on IMT information as required.
- Oversights IMT outputs and the status of the actions.
- Updates and aligns with the Board as required.



Incident Management Team (IMT)

- The corporate IMT is our company-wide crisis team that is led by the ERM*2 Department.
- Consists of senior leaders from across our functions ensuring a consistent and agile approach is adopted to disaster response.
- Coordinates and drives the overall response to the natural disaster.
- Develops key messages to ensure alignment with the Japan Coca-Cola System strategy.
- Monitors and reviews the national impact of the disaster and implements business continuity plans as appropriate.
- Conducts a post-incident review to ensure lessons are shared across the Japanese and global system.
- Team is trained and tested annually.



Field IMT / Onsite Emergency Response Teams

- Local teams activate, follow their local emergency response plans, and conduct an initial disaster assessment.
- Undertake the initial response to the natural disaster and provide immediate reporting to the corporate IMT.
- Primary focus: people safety. Secondary focus: asset protection and damage evaluation.

^{*1} Insurance subsidiary specializing in corporate risks

^{*2} Insurance that pays out based on pre-defined conditions (parameters)

^{*1} An abbreviation for Executive Leadership Team, referring to the management organization within the CCBJI Group, including the CEO and function heads

^{*2} An abbreviation for Enterprise Risk Management. Enterprise Risk Management Promotion Department, the department that manages enterprise risk.

Major risks

Risk category	Description and potential impacts	Key mitigations			
Cyber Security and Systems	Business activities being impacted and/or confidential information leakage caused by system failures or cyber incidents. • Losing trust from consumers and customers • Deterioration of financial conditions • Regulatory prosecution, fines, and reputational damage	Prepare countermeasures to mitigate any damage caused by system failures Improving and strengthening system security by proactive threat identification and conducting simulation tests of cyberattacks Complying with laws and regulations on information and data privacy management Establishing internal regulations related to information security supported by related employee training programs			
People Talent (Attraction and Retention)	Not being able to secure, retain and develop sufficient human resources and build constructive relationships with labor unions due to business performance, aging population and a competitive employment environment. • Slowdown or suspension of business activities • Slowdown or suspension of supply chain operations • Inability to achieve growth plans	Implement strategic people development plans and managing payment structure Recruit diverse talent base and commitment to people development Implement unmanned operations, online transactions, and outsourcing of shipping operation Enhance the workplace environment to improve employee satisfaction Strengthen communication between top management and employees			
Health and Safety	Lack of compliance with safety systems, ownership or accountability and awareness, mental health issues, and the use of aging equipment cause serious work-related health and safety incidents. • Death or serious injury • Reputation damage • Prosecution and/or fines	Continue ISO 45001 certification / Internal Audit strategies Continue implementing mental health survey Varieties of safety measures in place Education & training to raise awareness Remodeling of program to leverage Coca-Cola system best practices			
Growth Strategies	Failure to implement measures to improve our competitive advantage and grow the business through transformation (such as, business integration, joint ventures, capital investments, project management etc.) due to people capabilities. • Deterioration of financial conditions caused by loss due to impairment • Losing trust from shareholders	Building a robust system that enables the Group to respond readily and flexibly to various circumstances Formulate business integration strategies that take multiple scenarios into consideration Talent development strategies ensuring the right skill sets are available to manage projects and deliver technological transformation Supervision by Board of Directors and executive officers			
Changing Consumer Mindset	Changes in consumer preferences caused by concerns over sugar consumption and increased health awareness, or pricing. • Acquisition or loss of consumer base • Winning or losing trust from consumer • Discriminatory taxation	Focus on product innovation and portfolio expansion Strengthen range of low and no calorie beverages Diversification in pack sizes Promote active lifestyles through consumer engagement program			
Evolving Commercial and Competitor Landscapes	Inability to respond to changes in the retail and competitive environment effectively, efficiently and with agility. • Acquisition or loss of consumer base • Winning or losing trust from consumers • Reduced sales profit • Reduced portfolio availability	Enhancing the product portfolio and accelerated productivity further to deliver products that meet the needs of the retailers Enhancing Right Execution Daily (RED) to drive operational excellence Expanding the online channels to respond to the surge in Internet mail orders People development strategies to leverage advantages in technology			
Manufacturing, Logistics & Infrastructure	The stable supply of goods being impeded due to issues in production and logistics operations, or changes in weather and consumer behaviors. • Drop in sales volume and revenue • Losing trust from customers	Building a flexible supply system to respond to changes in the market environment CAPEX investment in infrastructure (production lines, etc.) that will enable the group to respond to the increase in demand during the peak seasons more readily Systems enhancements to enable timely sharing of inventory status			

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

Major risks

Risk category	Description and potential impacts	Key mitigations		
Natural Disasters	Death or injury to employees, damage to business facilities for production, logistics and sales operations caused by events, such as earthquakes and floods. • Slowdown or suspension of business activities • Slowdown or suspension of supply chain operations • Reduced sales opportunities • Additional costs required for recovery	Strong Business Continuity Plan (BCP) and crisis response capabilities, tested annually, enabling structured and streamlined responses Enhance regional response capability through regular crisis and disaster response training and simulations Identified alternative shipping locations and secure transportation capacity in preparation for a disaster that damages the logistics centers Insurance coverage and specialized programs for earthquakes		
Sustainability	Failing to respond to changes in stakeholders' awareness of sustainability including climate change risks and/or inadequately reporting on sustainability and ESG topics in line with stakeholder and regulatory requirements. • Reputation damage with a reduction in stakeholder trust • Increase in investor activism in the field of climate change • Financial impacts—loss of sales if customer expectations on climate change are not met and they shift to competitors	Sustainability Committee reviews and aligns the sustainability plans and objectives Achieving CSV goals contributing to the development of a sustainable society Coca-Cola System initiatives including, increasing the use rate of recycled PET resin, developing more light-weighted packages, and collecting used PET bottles more effectivel Proactive response in line with ESG, TCFD and TNFD reporting requirements		
Climate change	Becoming short of raw materials including water and agricultural products due to climate change. • Reduced commodity availability and product supply • Increase of production costs • Limitations to product portfolio • Discriminatory taxation	 Focus on sustainable procurement Engagement with stakeholders Sourcing alternative suppliers and strengthening the selection of suppliers and their management by utilizing the performance data Adjust the level of raw materials that are difficult to procure, and shift to other raw materials when necessary 		
Quality and Food Safety	Product-related quality and food safety incidents. • Losing trust with customers and consumers • Decline in earnings due to product recall or mass disposal of defective products • Loss of opportunities due to penalties	Supplier quality audits and quality certifications Employee awareness of quality control in all processes from manufacturing to sales Enhance the quality control and reporting system so that consumer/customer complaints receive a timely response Robust identification and response programs that enable us to deal with quality/food safety issues quickly and efficiently		
Regulatory Compliance and Ethics	Violations of laws, internal regulations, and our code of ethical conduct. • Loss of customer and consumer trust • Damage to brand and corporate reputation • Regulatory penalties • Economic loss through fraud	Strong Tone from the Top and continued internal communication on corporate behaviors Ethics & Compliance Committee meetings held regularly Minimizing employee fraud opportunities by rebuilding the business processes, organizational structure and IT systems		
Franchise relationships	Risk related to our high dependency on, or changes to our relationship with TCCC and CCJC as trademark owners in respect to contract/relationship terms and renewals, concentrate pricing, support for product promotions. • Decrease in sales from any suspension in the use of TM rights and/or decline in product development capabilities and brand power • Increased COGS due to concentrate price • Increased sales promotion expenses in event of a decrease in sales support	Maintaining and continually strengthening cooperative relationships with The Coca-Cola Company and Coca-Cola (Japan) Company		
Commodity Pricing	Significant increase in procurement costs due to fluctuations in foreign exchange rates, raw material shortages, and commodity price increases. • Increased cost base impacting profitability • Reduced product supply • Limitations to product portfolio	Mitigate the impact of exchange rate and product price fluctuations through the use of derivative transactions and hedging Procure raw materials at lower costs through collective multi system company purchases leveraging Coca-Cola System		