

Deliver happy moments to everyone while creating value



Main capital / Strengths

Intellectual capital

Global brands such as Coca-Cola and access to the worldwide Coca-Cola system network

Billion dollar brands **Coca-Cola bottlers worldwide**
21 brands **About 225**

Manufactured capital (equipment, etc.)

Robust supply chain and sales foundation for realizing innovation and solutions provision

Manufacturing plants **Sales / distribution centers** **Vending machines**
17 plants **About 320** **About 700k**

Human capital

Diverse workforce (respect for diversity, global talent, beverage pros) and foundation for work styles where employees maximize their skills

Employees
About 15,000

Natural capital

CSV promotion system and awareness of social responsibilities as a company that uses earth's limited resources

Water usage **Water source replenishment**
12,993 thousand m³ **353%**

* Water usage refers to the total amount of water used in manufacturing processes (excluding water as a product)

Social capital

Solid relationships of trust with stakeholders including communities

Sales area **Consumers in sales area**
Tokyo, Osaka, Kyoto **About 112 million**
and 35 prefectures

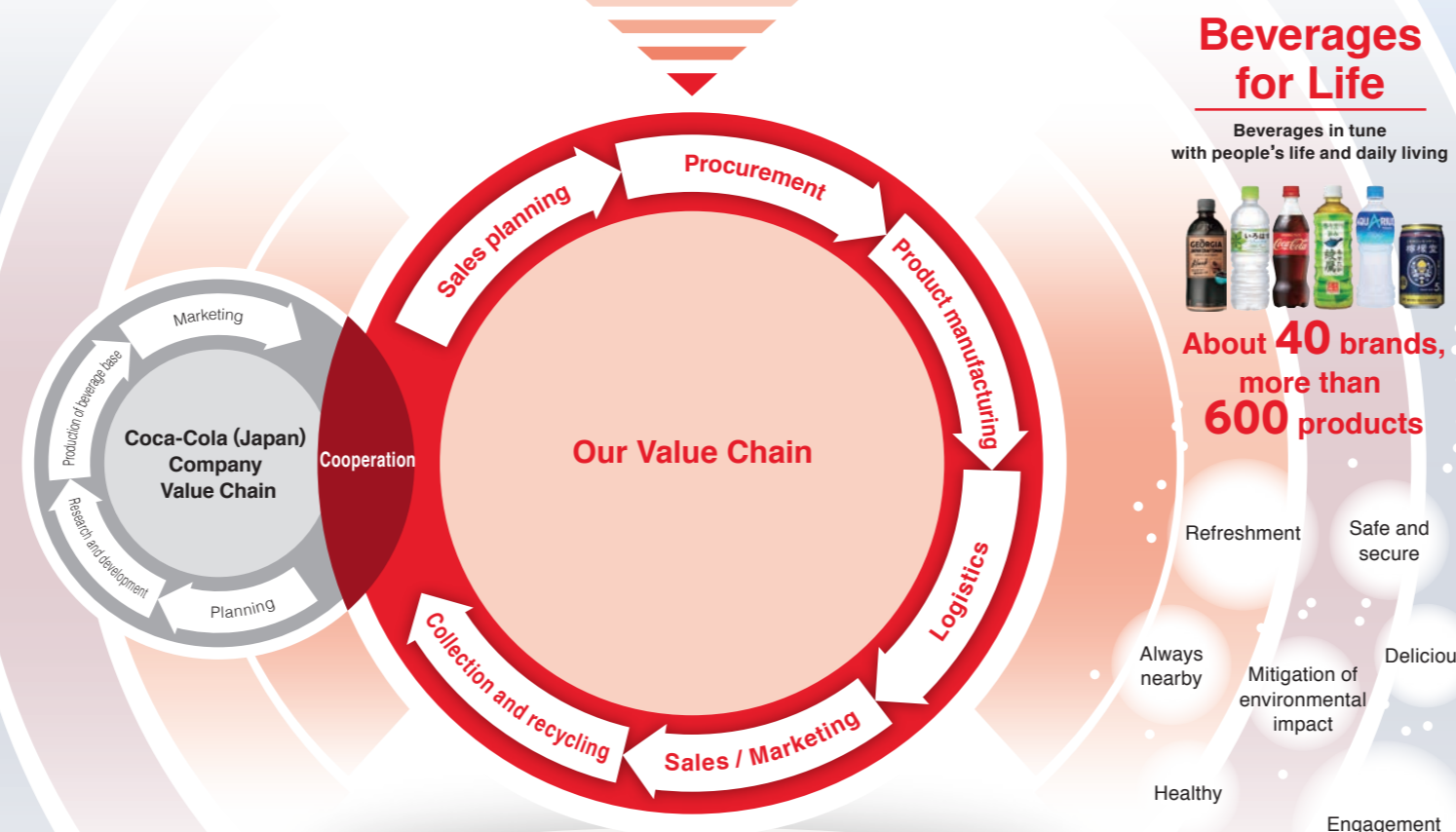
Financial capital

Robust financial foundation

Total assets **Rating**
Approx. ¥870 billion **A+(R&I)/AA-(JCR)**

Partnership with The Coca-Cola Company and Coca-Cola (Japan) Company

- ▶ We use concentrate, which is the main raw material for products procured from Coca-Cola (Japan) Co., Ltd., procure other raw materials and supplies, manufacture, distribute, and sell final products, and engage in sales-driven marketing activities. Coca-Cola (Japan) Co., Ltd. is responsible for supply of concentrate, product planning and development, and consumer marketing activities such as advertising.
- ▶ We are working closely together and collaborating in all aspects of the value chain for the sustainable growth of the beverage business in Japan.



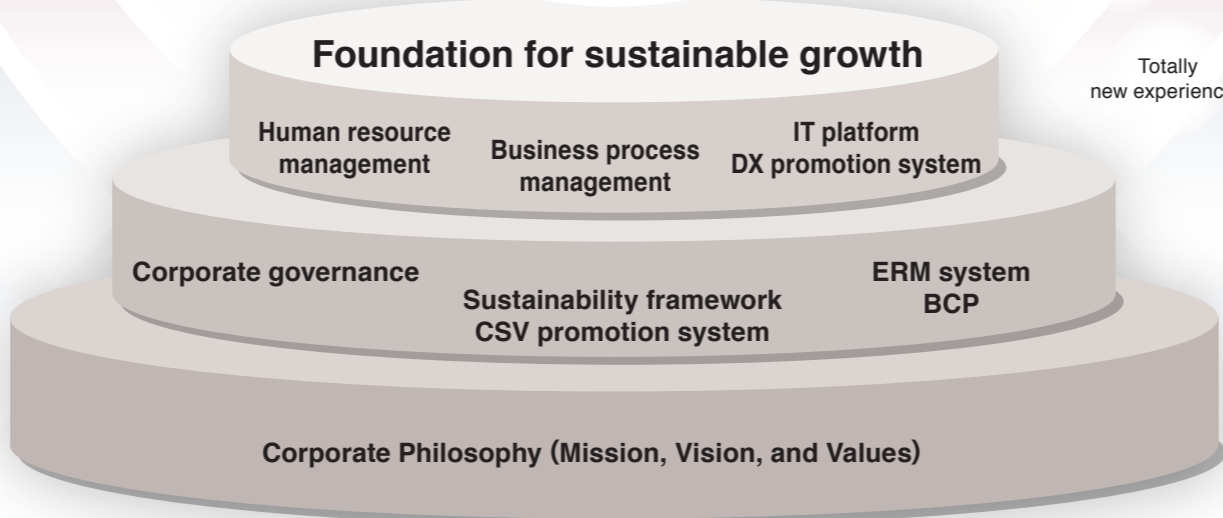
Beverages for Life

Beverages in tune with people's life and daily living



About 40 brands, more than 600 products

- Refreshment
- Safe and secure
- Always nearby
- Mitigation of environmental impact
- Delicious
- Healthy
- Engagement Partnership
- Totally new experiences
- Innovation



Value provided

Customers (consumers and business partners)

- ▶ Enhancing wellness and loyalty through the provision of high quality products and services
- ▶ Contributing to expanded business opportunities for business partners through the provision of solutions through beverages (B-to-B)

Suppliers

- ▶ Appropriate transactions and responsible procurement
- ▶ Building long-term relationships and expanding business opportunities through sustainable growth of the Company

Employees

- ▶ Improving employee satisfaction by having the Company and employees learn together and share profits
- ▶ Developing workplaces where employees can fully harness their skills

Communities

- ▶ Realization of CSV that contributes to business growth and community development

Natural Environment

- ▶ Mitigating environmental impacts through formation of a low-carbon society and recycling-oriented society
- ▶ Contributing to increased environmental awareness among consumers

Shareholders / Investors

- ▶ Increasing share value through profit growth and enhancement of shareholder returns

Continuing to strengthen the cycle of corporate value enhancement

Mutual growth from economic value and social value

Enhancing capital that will drive value creation

Creating economic value

- ▶ Business growth led by growth and streamlining
- ▶ Acquisition of reinvestable resources

Sales and profit growth

Transformation and cost efficiency

Good stewardship of capital

Creating social value

- ▶ Returning profits to society through CSV
- ▶ Contribution to SDGs

<CSV Goals>

Inclusion Communities Resources

Message from Head of Commercial

Executive Officer,
Chief Commercial Officer
Costin Mandrea



Commercial engages in finely tuned sales and marketing activities on a daily basis to ensure more customers and consumers choose Coca-Cola products. Since our establishment in 2017, we partnered with our customers to deliver happy moments to our consumers, we have worked to establish a top class sales team, digitalize our sales and marketing activities and enhance our commercial capabilities. We have also worked to innovate operational processes with a focus on achieving simple, low-cost operations while providing high quality services.

In 2021, the business environment was as challenging as in 2020, with slow growth in total demand against a backdrop of delayed recovery in the traffic due to the continuing impact of COVID-19. Nevertheless, we managed to increase sales volume and improve market share compared to 2020 by launching new products such as Yakan no Mugicha from Hajime, Ayataka Café Matcha Latte and COSTA Coffee, and executing a commercial strategy adapted to consumption trends, such as growing demand for at-home consumption. We have achieved positive results in the areas we have focused on despite challenging market conditions.

For 2022, the pillars of our profitable growth strategies are Expand Portfolio edge, Margin focused Pricing, Growth through Vending Channel and Customer Partnership &

Execution Excellence. Each of these initiatives is making steady progress, as we have been able to capture opportunities for increased demand resulting from the recent recovery in consumer traffic as well as benefiting from the commercial transformation efforts from last 2 years.

We are launching a number of new products, such as a lemon sparkling beverage Fanta Premier Lemon, Ayataka Café Hojicha Latte in the Ayataka Café series, and non-alcohol Yowanai Lemon-dou, making steady progress with growing sales. We are also working on appropriate pricing and controlling marketing investments to improve our earnings base. As part of this, shipment price revisions started with large PET bottles, implemented in May as planned, with the understanding for the customers, and will continue throughout the year. Furthermore, in the vending channel, we have increased our value market share for 37 consecutive months (as of April 2022), indicating the success of our initiatives to date. We are enhancing our promotions through Coke ON and installation of vending machines with the increase in consumer traffic to achieve steady growth.

We always say we have only two types of jobs: Sell or Help Selling. Entire organization is living by this principle, working every day to fulfill our mission of deliver happy moments to everyone while creating value.

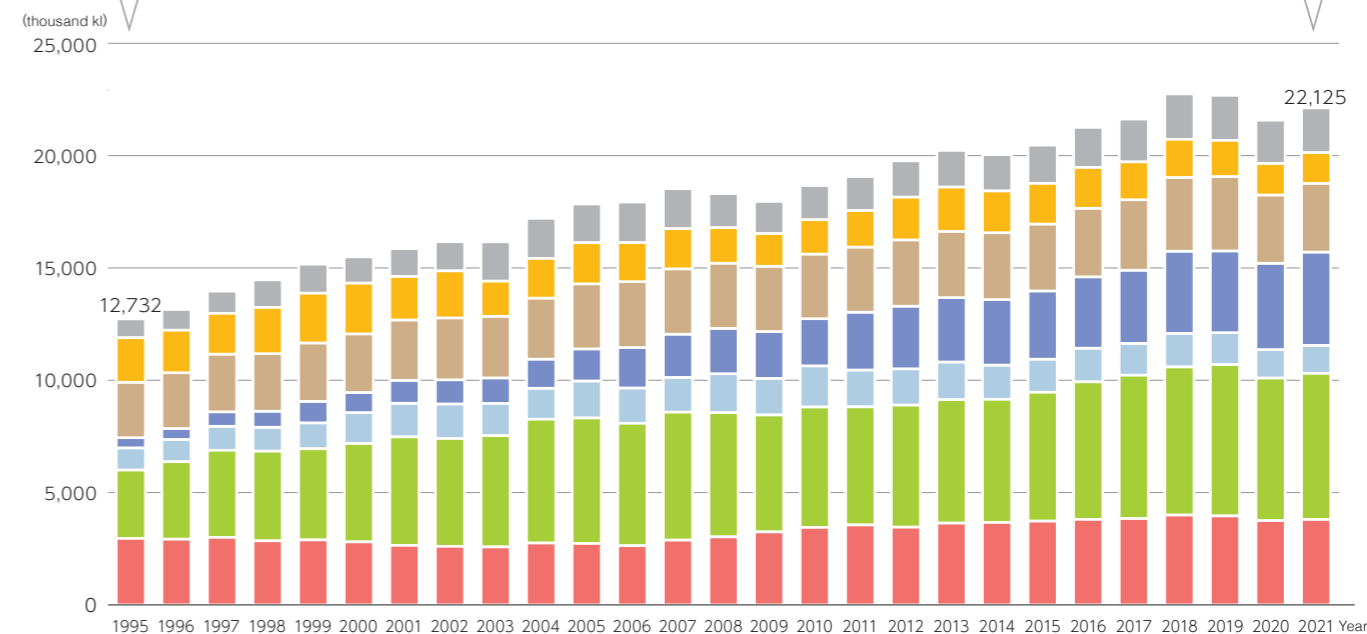
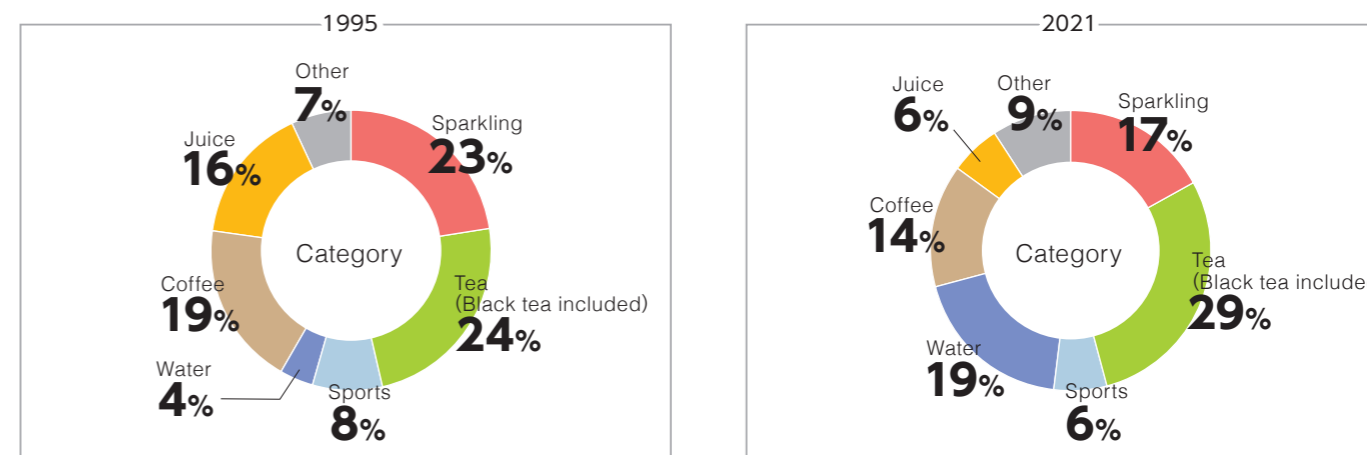
<2022 Commercial Strategic Pillars>

<p>Expand Portfolio Edge</p> <ul style="list-style-type: none"> High quality innovation to drive growth in volume / revenue / market share and premiumization Focus on core to enhance presence for solid base Capture consumer / social needs with packaging Expansion into white space 	<p>Margin Focused Pricing</p> <ul style="list-style-type: none"> Targeted marketing investments focused on growth channels and categories Strengthen consumer-oriented marketing investment Appropriate level of promotion Price revision and continuous monitoring 	<p>Growth through Vending Channel</p> <ul style="list-style-type: none"> Revenue recovery by per machine growth and VM placement, supported by high market share base Leverage our digital platform "Coke ON" and update functions for improved engagement Improve operations further through DX 	<p>Customer Management & Execution Excellence</p> <ul style="list-style-type: none"> Strengthen customer relationships with proposal type sales Accelerate DX across various areas of analysis, planning, operation and execution Transformation continues Collaboration with Coca-Cola Japan to leverage Coke system network
---	--	--	--

The NARTD Market in Japan

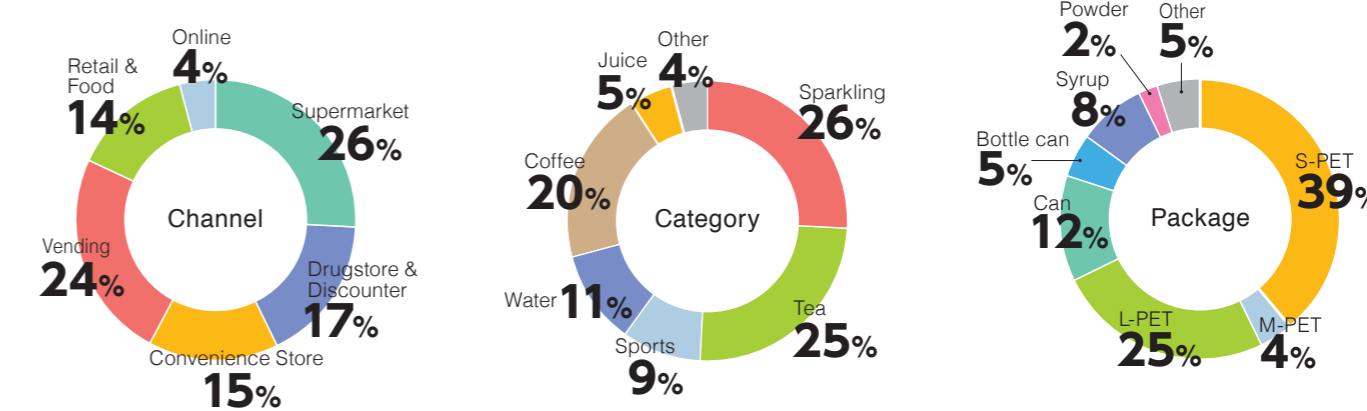
The NARTD market in Japan has been growing steadily, with the market scale expanding by about 1.7 times over the past 26 years.

[Trends in Market Size (Production volume)]



(Source: Japan Soft Drink Association, Statistics on Soft Drinks and Bottled Water)

[CCBJI Sales Volume (2021 results)]



See earnings presentation materials for details
<https://en.ccbj-holdings.com/ir/library/presentation.php>



Initiatives in Each Category

Sparkling

Coca-Cola lucky bottles with fortune slips

Based on the concept of Bringing a bit of happiness to your day, we released Coca-Cola lucky bottles in the New Year. Part of a Japanese New Year tradition, each bottle came with a fortune slip QR code enclosed. The codes allowed customers to draw one of 57 different augmented reality (AR) fortunes. In parallel, we ran a lottery where consumers could win prizes according to the results of their fortune slip. These lucky bottles were rolled out for Coca-Cola, Coca-Cola Zero and Coca-Cola Zero Caffeine.



Fanta Premier Lemon

Launched lemon flavor in the popular Fanta Premier Series. Fanta Premier Lemon is a lemon-flavored carbonated beverage targeting adults. It features a refreshingly sweet and sour taste that highlights the slightly bitter essence of lemons. Made with 11% lemon juice and lemon peel extract, the beverage delivers a full-bodied flavor that is not overly sweet.



Tea

Revamped Kochakaden to mark the brand's 30th anniversary

Kocha Kaden is an authentic and high-quality tea brand that offers a wide variety of flavors, made with carefully selected ingredients and a special processing step that makes it delicious. The brand celebrated their 30th anniversary in 2022, revamping Kochakaden Royal Milk Tea, Craftea Zeitakushibori Peach Tea, and Orange Tea, achieving an even more high-quality taste with better ingredients and manufacturing methods. For the 30th anniversary, specially-designed 30th anniversary packaging was released in commemoration.



Ayataka Café Hojicha Latte

From the Ayataka Café line, which had reached the one-year anniversary since its release, the second flavor Ayataka Café Hojicha Latte has been introduced. As with the Matcha Latte version, select high-quality ingredients and unique production methods are used to create Hojicha Latte with the supervision of traditional tea merchants Kanbayashi Shunsho Honten and expert coffee roasters Sarutahiko Coffee. Hojicha Latte uses just the right amount of 100% domestic powdered Hojicha, and allows you to enjoy an elegant milk flavor that complements the taste of Hojicha.



Coffee

Revamped Georgia brand campaign

In January 2022, we revamped our Georgia brand campaign for the first time in eight years. The new campaign kicked off with the brand message Brightening your day. Georgia aims to be a brand that supports people to move forward. Believing in the power of coffee and continuing to refine taste and quality, along with providing a fragrant and delicious cup, Georgia gives people the power to move forward and supports a brighter day. We fully revamped Georgia Black, Georgia Kaoru Black, and Georgia Shot & Break Black in February, followed by Georgia Japan Craftsman series in March.



Revamped COSTA Coffee

We revamped the packaging of Europe's number one cafe brand COSTA coffee. We also introduced a new 280ml size for Black and Cafe Latte versions sold exclusively in vending machines. The barista quality taste and finely-brewed ingredients will satisfy coffee drinkers who regularly drink hand-brewed coffee.

*According to Allegra's 2021 World Coffee Portal



Alcohol

The premium lemon sour Lemon-dou

In March 2022, we launched three new products under the popular Lemon-dou brand. These include Uchiwari Lemon, featuring a premium lemon sour taste that can be enjoyed at home, Umashio Lemon, offering a mellow taste with a hint of Setouchi sea salt, and Muto Lemon, free of sugar and sweeteners for a simple yet great taste. Together with Teiban Lemon, Hachimitsu Lemon and Oni Lemon, which also underwent a packaging redesign, consumers can now enjoy their daily evening drink according to mood and scene. In addition to focusing on the over-the-counter channel, we will promote activities to capture opportunities in the retail food channel in order to further expand our presence in the alcohol business.



TOPICS

Entered non-alcohol beverages market with launch of Yowanai Lemon-dou

We released a non-alcohol beverage brand Yowanai Lemon-dou delivering the authentic taste of lemon sour without the alcohol. Yowanai Lemon-dou is a non-alcohol beverage brand with the taste of lemon sour based on the know-how and experience of specialist lemon sour beverage brand Lemon-dou. Yowanai Lemon-dou delivers the authentic lemon sour taste using a proprietary manufacturing method that blends high quality lemon juice with the spices used in gin. This non-alcohol beverage gives many consumers a new choice when it comes to days when they cannot drink or choose not to drink. The package is predominantly white and features a maekake apron motif, while the design clearly indicates that the product is a non-alcohol beverage.



Initiatives by Main Channel

● Vending (Vending Machines)

The vending channel is a retail channel through which we sell products directly to consumers through our approximately 700,000 vending machines. We are working to improve the vending experience by installing new machines, effectively introducing new & core products, as well as exclusive drinks. This ensures an assortment that reflects the character of the installation location. We also implement effective marketing programs using the smartphone app Coke ON.

In 2021, we focused on vending machine allocation with an eye toward profitability, such as by utilizing existing assets while curtailing investments including purchases of new vending machines. In addition, we worked to increase the number of vending machines compatible with Coke ON and grow the service. We also worked to improve the efficiency of vending machine operations by bringing vending machines online and utilizing digital tools.

While the vending machine market continues to face challenges due to changes in consumption trends in the wake of the COVID-19 pandemic, our market share in 2021 grew from the previous year thanks to our work to strengthen our business foundation and flexible efforts in accordance with changes in the environment.



● Supermarkets, Drugstores & Discounters

Supermarkets, drugstores, and discounters make up our wholesale channel that delivers products to consumers through product sales in-store and the creation of appealing sales floors. We are working to propose the optimal lineup according to sales floor and developing campaigns tailored to the season and special events.

In 2021, we worked to revitalize sales floors through innovative promotions utilizing the 2020 Tokyo Olympics. In addition, in an effort to grow demand, we increased sales of 350ml PET and 700ml PET bottle products as packages of the most appropriate size according to customer drinking opportunities, and increased sales by the case in response to growing demand for home consumption.



● Convenience Stores

Convenience stores are a wholesale channel that allows us to deliver goods to consumers through easy-to-access locations. We are introducing new products and conducting promotions with customer chain stores.

In 2021, we introduced new products and undertook product planning for specific customer chains and limited promotions, in which we conducted high-profile sales promotions such as with prizes utilizing the Jujutsu Kaisen content and the Nissin Donbei with Ayataka collaboration with another manufacturer.



● Retail & Food Service (Kiosks, Restaurants etc.)

Retail & Food Service is a wholesale channel in which we sell products to customers operating stores, restaurants, liquor shops, and other stores, and offer consumers products and opportunities for enjoying drinks.

In 2021, we expanded our sales space by focusing on new and core products at retail stores and other outlets. We also proposed promotions tailored to the business type of our customers. For restaurants, we strengthened the sales of 250ml cans, a product exclusive to the food service channel, to meet the growing demand for takeout and delivery services. We also focused on the expansion of COSTA Coffee and the alcohol beverage Lemon-dou.



● Online

Online is a channel where we deliver to consumers through online sales, marketing is done through customers' websites. In response to the growing demand for beverages through online shopping, we are working with our customers to expand the volume of our products offered, such as by planning campaigns in collaboration with our customers.

In 2021, responding to the growth of home consumption demand, we rolled out labelless products and grew bulk sales. We strengthened subscription programs to allow customers to purchase products at a discount. We also expanded services allowing customers to select several products and purchase in bulk.



Official Coca-Cola app Coke ON exceeds 35 million* downloads

Coke ON is an official Coca-Cola smartphone app that is both great value and convenient. Users can earn free drinks by collecting stamps through the app. Since its launch in April 2016, we have added a number of new functions and services to the basic service of collecting stamps to receive a free beverage ticket. These services and functions provide great value and convenient beverage experience, and include Coke ON Walk in 2018, where users can receive stamps by walking and cashless payment function Coke ON Pay in 2019.

In April 2021 we launched Coke ON Pass, a subscription (flat-rate service) that gives users access to their favorite beverages for a fixed monthly fee, and in December 2021, we launched a service where users can save their most frequented vending machines in the app. Users can then check their saved vending machines for new products and popular products at any time. Looking ahead, we will continue to expand new services that are even more appealing to our customers. *As of the end of March 2022



Launch of the New Culture Model Project to lead the strengthening of the vending channel's organizational capabilities.



The Vending Business Management Division is working to fundamentally transform its business model to achieve sustainable growth. We launched the New Culture Model Project in October 2021 as part of this effort to form a sustainable and strong organization. This project is focused on the human resources and organizational aspects that will drive transformation efforts, with the theme of Free, Flat, Fun. Our activities are based on the following principles: respecting the free-minded ideas and opinions of project members; ensuring that everyone, regardless of position, age, or gender, has an equal perspective and position; and ensuring that each individual has the mindset of being a change maker. Focusing on issues such as creating a culture of praise, flat communication, and developing role models and middle managers, we are working on specific actions.

Message from Head of Supply Chain

Executive Officer,
Chief Supply Chain Officer
Bruce Herbert



The Supply Chain Management Division is responsible for formulating and executing strategies for the entire Group's supply chain. We mainly manufacture, distribute, and sell within our own Group, and the supply chain represents an important management base. The Supply Chain Management Division aims to build an efficient and lean supply chain system in order to manufacture safe, secure, and high-quality products and deliver them to customers at low cost. To that end, we are promoting initiatives to improve productivity in each field, including planning, manufacturing, distribution, and the systems that connect these, as well as digitalization and automation.

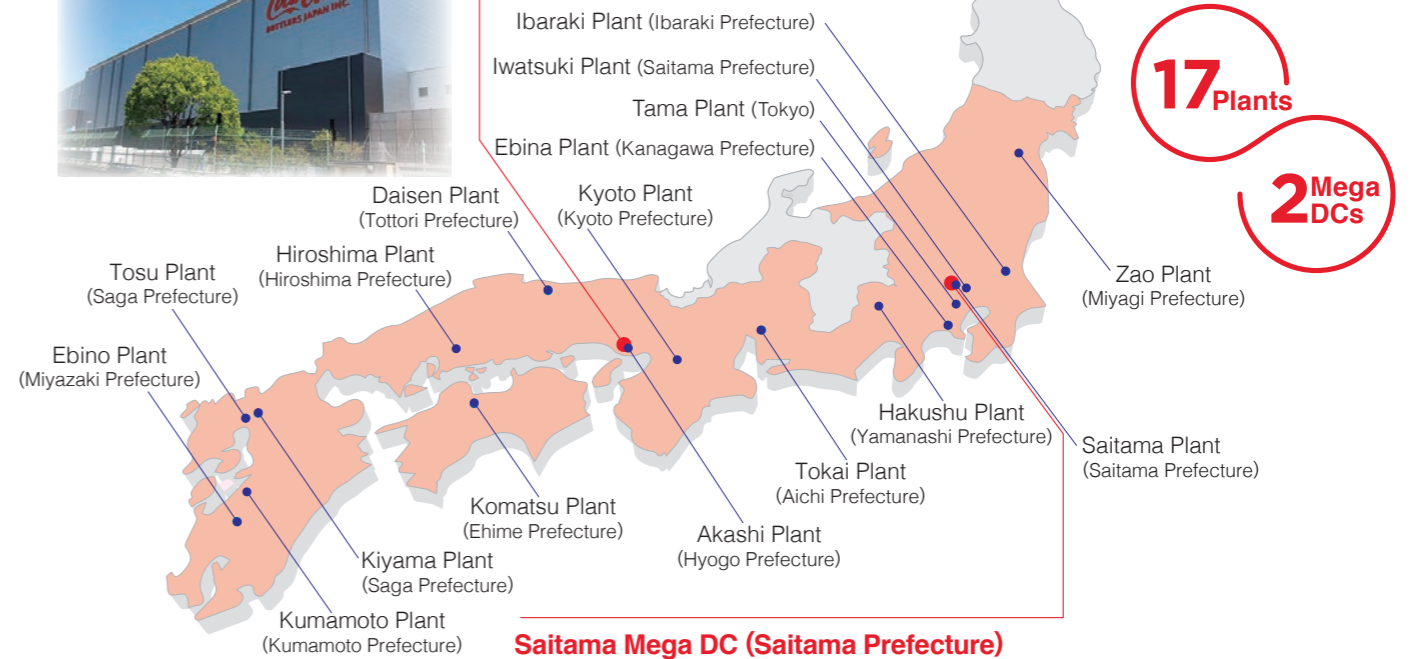
In 2021, demand forecasting was very difficult due to the ongoing COVID-19 pandemic. This only reaffirmed the importance of creating a process and system that can further strengthen cooperation with commercial and respond to demand fluctuations with agility. However we believe that our continuous improvement and investment throughout the supply chain has been successful. We are now able to flexibly adjust product supply according to customer needs and minimize the extra cost burden.

In 2022, we will continue working to establish a robust

supply network to achieve sustainable growth and low-cost operations. In manufacturing, we are improving both the stable supply of products and production efficiencies. We are achieving this through establishing a flexible system with enhanced capacity. We are working to supply products in a timely and low-cost manner by enhancing the linkage between commercial and supply chain which still have room for improvement. To achieve this we are utilizing digital technology and acting with agility towards changes in the environment. In terms of distribution, the Saitama Mega DC, an automated distribution center with one of the largest storage and shipping capacities in Japan for the Coca-Cola System, is operating in a stable manner. This coupled with the smooth launch of Akashi Mega DC, which is planned to commence operation ahead of schedule in July 2022, along with the consolidation of sales and logistics centers synchronized with these mega DC, we allow us to reduce product inventory and achieve optimal allocation. Going forward, we will continue to further promote cost reduction and efficiency initiatives throughout the supply chain, and strive to build an efficient and lean supply chain system so that we can deliver safe, secure, and high-quality products to our customers.

Our Manufacturing and Distribution Sites

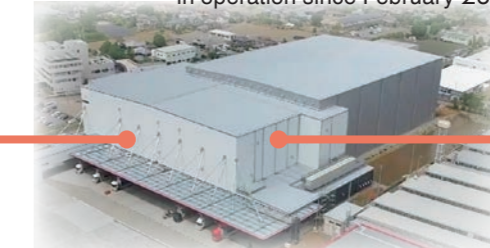
Akashi Mega DC (Hyogo Prefecture)
Scheduled to start operations in July 2022



Saitama Mega DC (Saitama Prefecture)
in operation since February 2021



Automated picking system



Automated warehouse

Procurement

High quality procurement by leveraging scale

Our main procured items include concentrate that are the basis of products, raw materials and materials related to product manufacturing, and indirect materials such as sales equipment. The concentrate is procured from Coca-Cola Japan Co., Ltd. and uses an incidence-based pricing model. We procure sugars, PET bottles, aluminum cans, cardboard, vending machines, and other items from suppliers who comply with our basic supplier and procurement policies set globally by the Coca-Cola system. We will promote joint procurement, review the contract system, execute

hedging strategies in response to changes in market conditions, reduce the weight and volume of containers, support sustainable materials, etc., while reducing costs and pursuing sustainable procurement. We are implementing procurement strategies in collaboration with CEPG (Cross Enterprise Procurement Group), a global procurement organization of Coca-Cola system that utilizes global scale and know-how, as well as share successful case-studies.

Manufacturing

Toward the expansion of our production capacity

We have 17 plants within our coverage area, and we are working to build a completely optimized supply chain network while engaging in flexible manufacturing at each plant. From 2019 to 2020, we completed seven new aseptic lines in order to address the recent increase in demand for aseptic products, mainly non-carbonated beverages. We actively introduce new technologies with a view to product innovation. We have also continued to invest in production lines for alcohol products, which have seen an increase in sales since our entry into the market, and have built a manufacturing

system with three plants in the area. On the manufacturing process side, we are working to deepen coordination between demand forecasting, sales planning, and manufacturing planning, and to promote automation of manufacturing processes at plants.



Distribution

Toward the optimization of our distribution network

We are launching the latest automated distribution center as part of our efforts to build a supply chain network that achieves high quality, low cost, and stable supply. In 2021, we worked to establish new operational processes to ensure stable operations of the Saitama Mega DC, one of the largest distribution centers in the Coca-Cola system in Japan, with a storage capacity of about 60,000 pallets and an annual shipment capacity of around 85 million cases. In July 2022, Akashi Mega DC, a shipping hub focused on the Kansai area, is scheduled to start operations. Along with

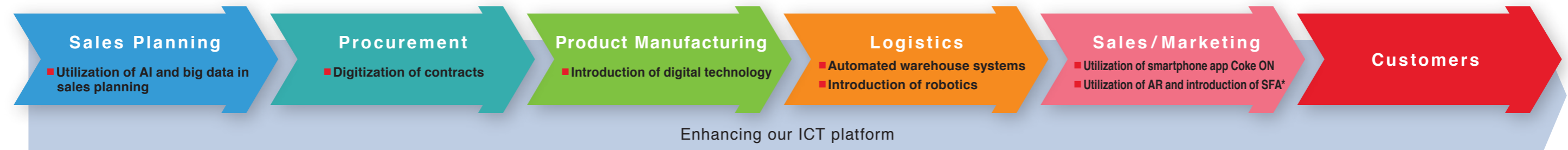
the restructuring of our distribution network, we are consolidating sales and logistics centers. These initiatives reduce product inventories, optimize placement, and optimize our asset holdings.



Promoting DX to Enhance Corporate Value

As a Total Beverage Company, we are promoting fundamental transformation of our business in order to quickly respond to diversifying consumer needs, in addition to delivering safe and secure products to customers. Promotion of DX is an important measure, and through this, we are working to improve market competitiveness, efficiency, and productivity.

DX in the value chain



*Abbreviation of Sales Force Automation. It is a sales support system used for the purpose of improving the productivity and efficiency of sales activities.

DX Initiatives Examples

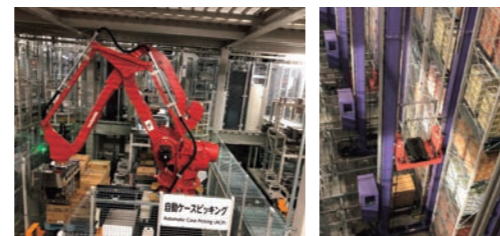
Product Manufacturing

To achieve low-cost operations, we are introducing IoT systems for manufacturing such as automatic conveyance of product packaging from material warehouses and monitoring the operation of manufacturing facilities using automatic retooling systems and remote monitoring systems.



Logistics

As part of our efficient warehouse operations, the Saitama Mega DC integrates automated facilities including storage racks and picking systems. This same system will also be deployed at Akashi Mega DC scheduled to start operation in 2022.



Sales/Marketing

In the vending channel, we are working to provide a digital platform for customers through the deployment of the Coke ON smartphone app, construct big data infrastructure, and utilize AI in sales execution for optimization of sales forecasting, route plan simulation, and product lineup. We have introduced a new smartphone app developed in-house, and have been working to build a system for performing operations such as vending machine inventory management, which were previously performed with a handheld terminal, at higher speed and at lower cost using a smartphone.



In the over-the-counter channel, we are working to utilize digital technology by implementing management and analysis of customer information using a sales support system, and utilizing augmented reality (AR) and image recognition apps during business negotiations.

Enhancing our ICT platform

Introduction of the integrated ERP system

We have introduced an Enterprise Resource Planning (ERP) system called Cokeone+ that covers back office support, inventory management, and customer service. By centrally managing & visualizing information and reducing manual and redundant data entry, we are helping to enhance management analysis capabilities, improve business quality and processes, and boost productivity & efficiency.



Introducing RPA*1 for operational streamlining

Since 2018, we have been promoting the introduction of RPA in all areas centered around routine work. Currently, more than 180 robots are in operation, and we have automated more than 100,000 hours*2 of annual operations.

To accelerate operational efficiency using digital technologies, including RPA, we hold RPA Development Skills Training and other initiatives to empower each employee to acquire digital skills and promote operational improvement.

*1 RPA (Robotic Process Automation)
*2 As of December 31, 2021



Building an ICT platform and business infrastructure

By utilizing ICT, such as providing all employees with smartphones and PCs equipped with web cameras, we are enabling flexible work styles, such as telecommuting and directly return to home directly from customer visits. In addition, the Company is working on the use of AI in the internal inquiry process and the work for paperless operation of contract management to reduce workloads and labor savings.



Strengthening security countermeasures

We are implementing security countermeasures to protect IT devices from the potential risks that come with increased digitalization. In addition to protecting the network through firewalls, we have introduced EDR*1 to protect individual IT devices, and logs are visualized using SIEM*2 based on the access history obtained from these devices.

*1 Endpoint Detection and Response, a technology that continuously monitors and responds to threats at the endpoints of a computer system.
*2 Security Information and Event Management, a mechanism that accumulates and manages records (logs) of the operating status of devices and software, quickly detects and analyzes events that pose security threats, automatically detects anomalies including information leaks, and quickly notifies administrators.



Initiatives to Enhance Human Resources Management and Organizational Strengths

Basic policy on human resources strategy

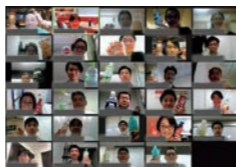
We are working to enhance our human resources management and organizational strengths based on a human resources strategy that seeks to achieve our management philosophy of Mission, Vision and Values. We specifically encourage each employee to take responsibility for their own growth and development, and we provide training and learning opportunities for this purpose. We are also implementing a compensation and reward system that recognizes and compensates employees who demonstrate their abilities and deliver excellent results.

● Human resources development program

We have developed a variety of training programs according to themes, such as company-wide training programs (to acquire skills and knowledge suited to each employee's growth and steps) and specialized training programs (to acquire skills and knowledge necessary for each department). These include selective programs aimed at developing next-generation leaders and global human resources, training tailored to each employee's level and career, on-the-job training (OJT) support for department heads responsible for human resource development in their respective departments, and self-development programs such as e-learning and online English programs. Through these programs, we provide learning opportunities and develop systems and environments to promote learning that is autonomous.

Coca-Cola University Japan aims to develop the next-generation leaders

We established Coca-Cola University Japan (CCUJ) to train the future leaders for transforming the Coca-Cola System in Japan through a selected human resources development program with three levels of management: department directors, supervisors and general staff of leadership level. The program includes a practical component where participants are assigned to teams to seek out solutions to issues in their respective workplaces. The learning process is based on an experiential learning cycle that repeats inputs and outputs to improve participants' leadership skills, problem solving capabilities, and instill the skills required of both.



GET (Global English Transformation) English proficiency program

We are working to improve the English proficiency of our employees in order to develop global human resources. As part of this initiative, we offer the GET Proficiency Program for young employees to improve their English language skills. Depending on participants' English level, the program offers two courses: Practical English and Basic English, providing support so that they sustain English study after the program by not only improving their English proficiency but also instilling good learning habits. The program expands employees' career prospects by providing them with opportunities to improve their English and advance their skills.



● Fostering a results-oriented culture and supporting employees' career development

We are working to foster a results-oriented culture. To balance improved performance and human resources development, during the setting of goals by employees we link personal goals to company performance and management philosophy. We have also put into place systems that provide large compensation to excellent results, such as setting up variable compensation linked to the degree of achievement of company performance and individual goals and a mechanism where the ratio of variable compensation increases based on seniority. Moreover, we have introduced a job posting system, in addition to clarifying job roles duties and disclosing them internally. This system publishes requirements of posts or job types required by the Company internally, allowing employees to apply freely. This increases motivation to tackle new challenges and encourages the movement of a diverse workforce, which revitalizes the organization.

TOPICS

Win the Award of Excellence in the corporate category of the HR Awards 2021

Our HR Division won the Excellence Award at the HR Award 2021, sponsored by Japan's largest HR network, the Human Resources Department of Japan. The award recognized the many initiatives under our human resources strategy, including the operation of Coca-Cola University Japan, which seeks to develop the next generation of leaders, and the Company's initiatives for quantifying the results of its annual 360-degree survey on managers to propose individualized improvement measures in response. Looking ahead, we will keep working to develop human resources capable of creating a new value through our business activities.



● Promotion of diversity & inclusion

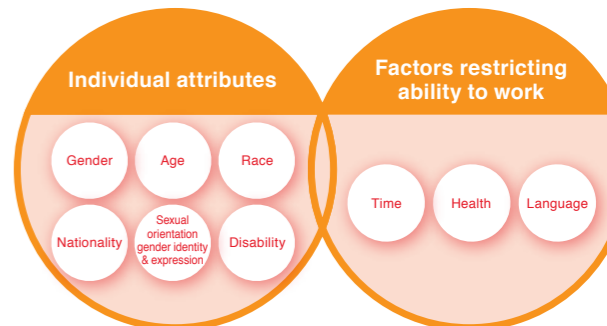
We identify diversity and inclusion (D&I) as one of our management strategy's top priorities. In order to meet the diverse needs of our customers and a changing environment, and to achieve sustainable growth, we aspire to create a diverse work environment where each and every employee with different backgrounds and values can demonstrate their abilities. In our management structure, we appoint directors based on diversity in terms of nationality, gender, age, and background, and we aim to realize diversity management through discussions and decision-making based on a variety of perspectives.

We established the D&I Section as a dedicated organization for redoubling these efforts. The D&I Section actively deploys measures unique the Company by planning measures companywide and providing training programs at each division.

Medium-to long-term vision for diversity and inclusion

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

Providing opportunities for all employees to leverage their full potential, regardless of individual attributes and factors that may restrict their ability to work



Encouraging women's success in the workplace

As of April 2022, the percentage of full-time female employees was 13%, and we have set a target of increasing this to 15% or more by 2025, and are focusing on recruiting and hiring excellent human resources from within and outside the Company. In addition, we have introduced a training program for female management candidates, with the goal of increasing the percentage of female managers from the current 6.4% to 20% by 2030.

In addition, we are actively promoting initiatives to advance women, such as the Accelerate Her program to support female managers in building their careers, and the introduction of sponsorships to help develop female board candidates. We are also developing Unconscious Bias Training and Inclusive Leadership Training to foster and establish an organizational culture that understands and respects diversity.

LGBTQ initiatives

To ensure equal opportunities for sexual minorities (LGBTQ) within the Company, we have revised our internal rules and are implementing e-learning training for all employees. In June 2021, we announced our endorsement of the Declaration of LGBT Equality Support in Business, which prohibits discrimination based on sexual orientation and aims to create an inclusive workplace and society where each and every person is treated equally. In November 2021, we were recognized with the highest ranking of gold for our initiatives by the PRIDE Index 2021, an index of LGBTQ initiatives formulated by work with Pride, a voluntary organization that supports the promotion and establishment of diversity management related to LGBTQ and other sexual minorities in companies and other organizations.



● Working style reforms : Initiatives to promote flexible work styles

Our response to changing lifestyle patterns driven by the COVID-19 pandemic and the need to balance work and childcare or family care obligations requires flexible working styles free of the constraints of time or place. Given this, we are implementing a number of initiatives, including introducing a super flex time without core time, expanding satellite offices, promoting working from home, and allowing sales reps to travel directly to client sites and return home directly without first stopping in the office.

We encourage male employees to take childcare leave and in 2022 we extended their entitlement from three months to one year, improving convenience. Additionally, we provide male employees with a newborn child with a Papa Apron to raise awareness of childcare leave and encourage them to take it. This apron is handed out during a team meeting or other venue to remind the person to take childcare leave and raise awareness among their colleagues about the importance of this leave. In this manner, in addition to establishing various systems, we are working to foster a culture where they are easily accessible to all qualified individuals.



Initiatives for Creating Shared Value (CSV)

CSV Initiatives

Our CSV Policy

We place Creating Shared Value(CSV) at the core of our business. Taking the respective importance of society and our business into account, our Group identified three key themes to address: Inclusion, Communities, and Resources. As a member of the Coca-Cola system we take action to co-create the future while delivering refreshment and effect change through our business. We take this responsibility to address the important challenges facing Japan including the environment, everyday life, and the communities that surround us.

We have formulated and are working to achieve our CSV Goals which declares our Group's commitment in the area of Environment, Social and Governance (ESG) with the aim of creating shared value.

Coca-Cola System Sustainability Framework

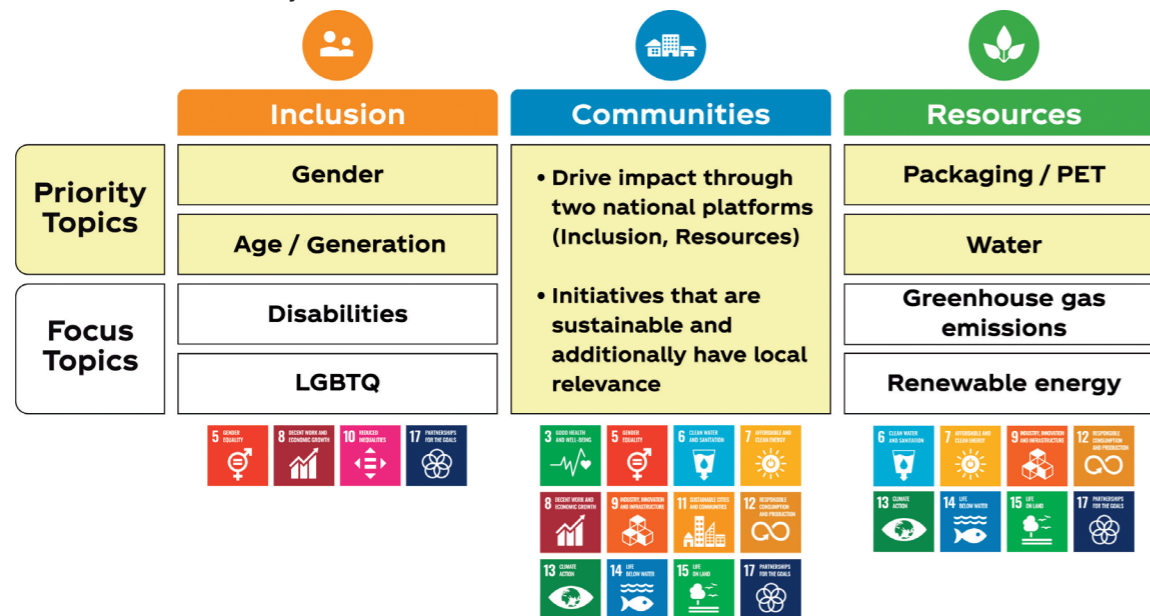
In 2019, the Coca-Cola System in Japan worked to identify issues and priorities in sustainability in order to develop strategies based on Japan's unique challenges and incorporate them into action plans, in addition to achieving its global sustainability goals. We've created a framework for our initiatives that includes three platforms: Inclusion, Communities, and Resources, as well as nine priority topics to address.

We will promote CSV initiatives based on our sustainability framework. We will also contribute to the attainment of the Sustainable Development Goals (SDGs) by assessing SDGs in each area.

● Coca-Cola System Sustainability Activities — Purpose and Strategy

Purpose	We are committed to creating a shared future and a sustainable business that can make a difference when addressing important challenges facing Japan, including the environment, people's Purpose lives, and our communities.
Strategy	Leverage Our Leadership Position to Drive Attention and Action ● Lead with a powerful example of Inclusion in our own business ● Leverage the power and reach of our system to partner with our Communities ● Take a lead role — working with industry peers — on Resource usage

● Three Platforms and Nine Priority Issues



Our initiative examples

- Promotion of diversity & inclusion
- Promotion of active participation by women
- Promotion of employment of persons with disabilities
- Promotion of work/life balance
- Fostering the Next Generations
- Providing equal opportunities for LGBTQ employees
- Community support vending machines (support during disasters, etc.)
- SDGs seminars
- Industry-government-academia-private partnerships to address regional issues
- Online plant tours
- Water resource protection activities
- Reduction of greenhouse gas emissions
- Promotion of recycling
- Adoption of containers with low environmental impact, etc.
- Collaboration with business partners, customers and industry associations

CSV Goals

Based on the common sustainability framework of the Coca Cola System in Japan, we established CSV Goals as a more detailed targets in an effort to realize a sustainable business and society and achieve our Mission. We are steadily moving ahead to reach our targets using the Plan Do Check Action (PDCA) cycle across the entire value chain while confirming the progress of initiatives every year.

* Baseline year is 2015 and target year is 2025 unless otherwise stated. >>> At least 80% >>> 50%~79% >>> Less than 50%

Sustainability framework	CSV Goals		Target	2020 Results	2021 Results	Progress
	Key issues	Category				
Inclusion	Diversity & Inclusion	Female managers by 2025	10%	5.8%	6.3%	>>>
		Female managers by 2030	20%			>>>
Communities	Products (Tailored product development/health support)	Zero/low-calorie options for core brands	100%	100%	100%	>>>
		FOSHU/functional product growth (compared to 2016)	300%	190%	177%	>>>
		Front-of-pack calorie label and straightforward nutritional information	100%	100%	100%	>>>
	Society (Contribution to the local community)	Observation of The Coca-Cola Company Responsible Marketing Policy	100%	100%	100%	>>>
		Employee volunteers	10%	—	3.7%	>>>
Resources	World Without Waste (Zero-waste society)	Participants in community programs	1,000,000	890,000	900,000	>>>
		Sustainable materials usage*1 by 2022	50%	28%*2	40%	>>>
		Sustainable materials usage*1 by 2030	100%			>>>
		Ratio of products using sustainable materials*1 (number of bottles sold)	100%	About 90%	About 90%	>>>
		Further lightweight PET packaging by 2030 (compared to 2004)	35%	30%+	30%+	>>>
	Water	Collection percentage compared to sales volume by 2030	100%	96.7%*3	—	>>>
		Extensive partnerships across industry and environmental organizations by 2030				>>>
		Water source replenishment, focusing on watersheds near our plants	200%	364%	353%	>>>
		Water usage reduction by 2030	30%	19%	19%	>>>
		Scope 1 and 2 reduction in greenhouse gas emissions by 2030	50%	19%*4	21%	>>>
Climate change	Scope 3 reduction in greenhouse gas emissions by 2030	30%	17%*4	24%	>>>	
	Net zero in greenhouse gas emissions by 2050				>>>	
	Promotion of renewable energy				>>>	
	Human rights / Procurement (Strengthening of business foundation)	Sustainable sourcing	100%	100%	100%	>>>
		Adherence to Supplier Guiding Principles across the CCBJH Group value chain	100%	100%	100%	>>>

*1 Sustainable materials refers to the total bottle-to-bottle recycled PET materials and plant-derived PET materials *2 Ratio of bottle-to-bottle recycling up to 2020
*3 PET bottle collection rate (Source: 2021 Report on PET Bottle Recycling from the Council for PET Bottle Recycling)
*4 Actual results based on new standard aggregation method used in accordance with the GHG emissions reduction target announced in October 2021.

TOPICS

Endorsement of the United Nations Global Compact (UNGC)

In March 2022, we announced our participation in the United Nations Global Compact (UNGC), the world's largest sustainability program for creating a healthy global community. We joined the Global Compact Network Japan, which is comprised of Japanese companies and others that have signed the UNGC. We support the UNGC's 10 principles in the four areas: human rights, labor, environment and anti-corruption, and will continue to endeavor to resolve social challenges through its business activities to achieve a sustainable society.



See the CSV Report for details
<https://en.ccbji.co.jp/csv/doc.php>



Initiatives for Creating Shared Value (CSV)

Endorsement of TCFD Recommendations

We endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and participate in the TCFD Consortium*, a forum for discussion by fellow companies and financial institutions endorsing the recommendations. We believe that addressing the challenges of climate change is critical for the sustainability of our business and the development of society, and we will analyze the financial impact of climate change-related risks and opportunities based on the TCFD recommendations and consider measures to address them. We will strive to disclose a greater breadth of information from the perspectives of Governance, Strategy, Risk management and Indicators and Targets, which are the core elements.

In addition to endorsing the TCFD recommendations, we have also expressed our support for the GX League Basic Concept published by the Ministry of Economy, Trade and Industry (METI) and Japan's Participation in the Global Frontline for Decarbonization, as the Declaration of the Japan Climate Initiative (JCI).

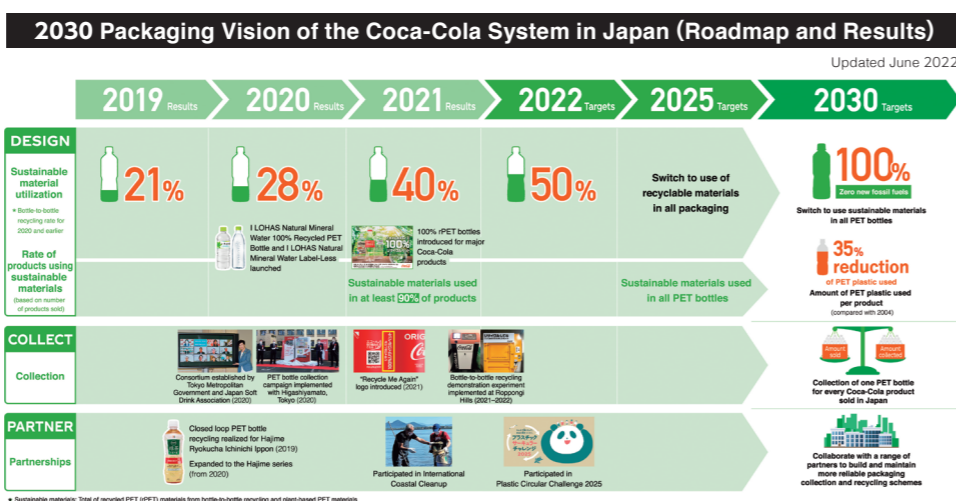
* Established as a forum for companies and financial institutions that endorse the TCFD recommendations to promote initiatives for effective information disclosure of companies and to link disclosed information to appropriate investment decisions by financial institutions, etc.



Toward World Without Waste

2030 Packaging Vision

In January 2018, The Coca-Cola System in Japan announced the Packaging Vision 2030, based on the Coca-Cola Company's global vision of achieving a World Without Waste. It engages in activities consisting of the three pillars of design, collect, and partner, in order to resolve the problem of waste from containers. In July 2019 we announced a more ambitious target to be achieved ahead of schedule and with a further strengthening of current initiatives.



Increasing the ratio of sustainable materials for PET bottles

As part of our efforts to achieve the Packaging Vision 2030, which aims to create a zero-waste society, we are working on our bottle-to-bottle recycling efforts that create new PET bottles from used ones. In 2020, we started to use 100% recycled PET bottles for I LOHAS Natural Mineral Water, and in 2021, we expanded the adoption of 100% recycled PET bottles for small PET bottles used for our flagship Coca-Cola and Georgia Japan Craftsman* brands. We are also improving customer communication by putting Let's recycle it! logo on product packaging.



We achieved a 40% ratio of sustainable material usage for PET bottles, including bottle-to-bottle recycling in 2021, and we will further promote initiatives to achieve 50% target by the end of 2022.

*Message bottles only

Expanding labelless products

Labelless PET bottles reduce plastic waste and resources used for recycling, making them environmentally friendly and attractive to consumers. Since I LOHAS Natural Mineral Water Labelless launched in 2020, we have expanded our lineup of labelless products in various categories and packages. We launched labelless products for Aquarius and Large package I LOHAS Natural Mineral Water, Karada Sukoyakacha Double and Ayataka Tokusencha.

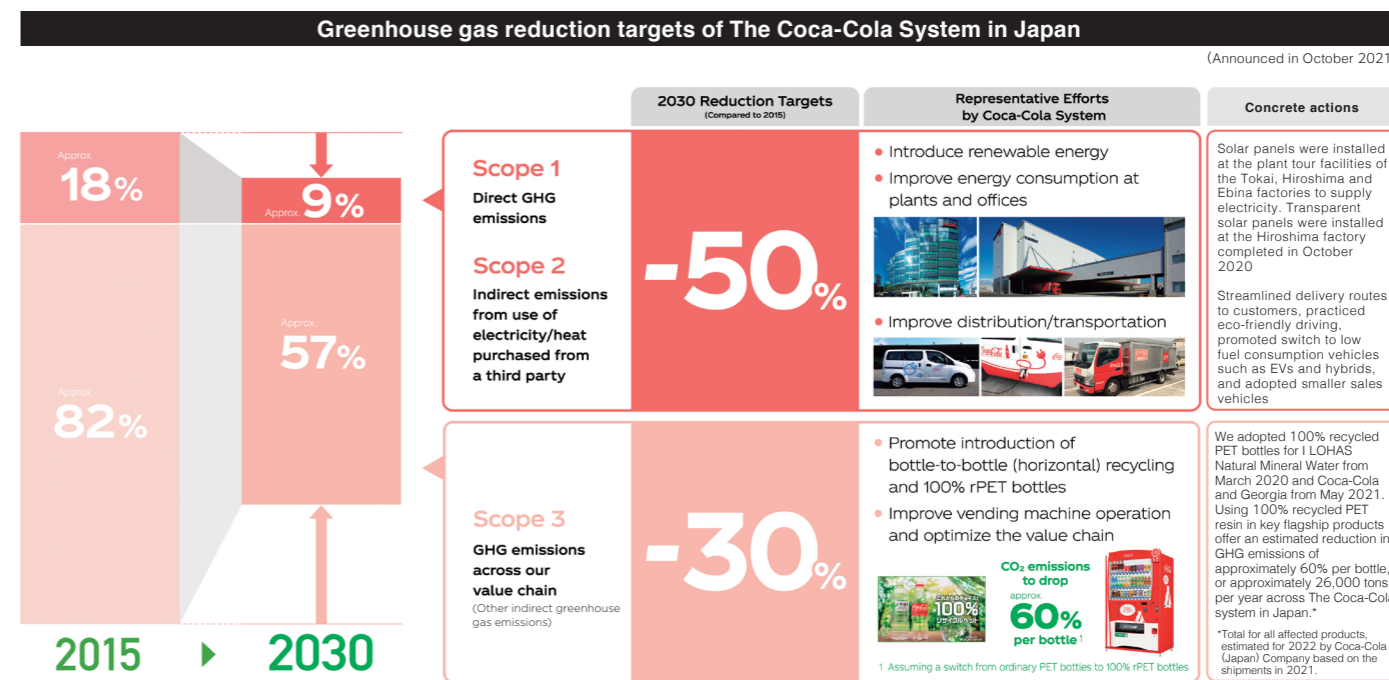
Reducing plastic use and adopting labelless products result in lower CO₂ emissions. We will continue to contribute to the reduction of greenhouse gas (GHG) emissions, through such initiatives to limit plastic usage.



Promoting Initiatives for Decarbonization - Reducing Greenhouse Gas (GHG) Emissions -

To accomplish both business growth and solutions to social issues, we have been working to reduce GHG emissions. In October 2021, the Coca-Cola system in Japan formulated targets to reduce GHG emissions across the entire value chain in Japan by 2030. By 2030, we aim to reduce Scope 1 (direct GHG emissions) and Scope 2 (indirect GHG emissions) by 50% and Scope 3 (other indirect GHG emissions) by 30% compared to 2015.

Our bottling business is an important element of the value chain, and as part of the Coca-Cola system, we will further promote initiatives such as expanding 100% recycled PET bottles and utilizing renewable energy in order to achieve this goal.



Protecting Water Resources

We have set the goals of 30% reduction in water usage (compared to 2015) and maintaining a water resource recharge rate of 200% in CSV Goals, and efficient use of water used for manufacturing (Reduce). We are promoting the protection of water resources based on water resource recharge activities (Replenish) such as reuse and forest conservation to nurture water.

In December 2021, the leadership level A- (minus) score was obtained in the Water Security survey conducted by CDP, an international non-profit organization that operates environmental information disclosure systems for companies and local governments. We will continue to work on the protection of water resources and water usage reduction as a company that conducts business using irreplaceable water.



Respect for Human Rights

We believe that respect for human rights is the foundation of our corporate activities to realize sustainable social development. We are committed to compliance with various principles related to human rights, comprehensive respect for human rights, and promotion of educational activities.

We provide our employees with training and e-learning programs to deepen their understanding of human rights, and we regularly disseminate information to foster the development of employees who can accept human rights issues as their own challenges, act with consideration for others, always putting themselves in the shoes of others. We also advocate for creating a healthy work atmosphere that values open and honest communication.

In addition, we have added provisions on human rights due diligence for employees in the Employment Regulations and Policy on Diversity and Inclusion and for procurement in the Basic Supplier Principles to ensure that we make thorough and responsible efforts concerning respect for human rights.

For details, please refer to the website. <https://en.ccbji.co.jp/csv/humanrights/>

