



**BOTTLERS JAPAN HOLDINGS INC.**

# NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS FOR THE FISCAL YEAR ENDED DECEMBER 31, **2024**

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 **BOTTLERS JAPAN HOLDINGS INC.**

Securities code: 2579

## Date and Time

**March 26,**  
**2025 (Wednesday)**

at **10:00** a.m. (Log in possible from 9:30 a.m.)

## On Attending the Virtual-Only General Meeting of Shareholders

This general meeting of shareholders will be held exclusively on the Internet, using the virtual-only shareholders' meeting method. Shareholders who wish to participate on the day of the Meeting are requested to attend the Meeting virtually. See the "Instructions on How to Log In to the Virtual-Only General Meeting of Shareholders" on Page 4.

Instructions on How to Log In to the  
Virtual-Only General Meeting of Shareholders

Page **4**

**Coca-Cola**  
BOTTLETS JAPAN INC.

**Paint it RED!**  
未来を塗りかえろ。

**Mission**

すべての人にハッピーなひとときを届け、価値を創造します。 *Deliver happy moments to everyone while creating value.*

**Vision**

- すべてのお客様さまから愛されるパートナーであり続けます。 *We are the preferred partner for our customers.*
- 持続可能な成長により、市場で勝ります。 *We win in the market through sustainable growth.*
- 常に学びながら成長します。 *We lead a learning culture with commitment to grow.*
- ココ・コーラに誇りをもち、誰もが愛されたいと思つる職場をつくれます。 *We are the best place to work with pride for Coca-Cola.*

**Values**

- ※ 学習意欲を高めません。 *Learning*
- ※ 変化を恐れず挑戦に挑戦します。 *Agility*
- ※ 結果を重視し最後までやり抜きます。 *Result-orientation*
- ※ 誠実と信頼に基づいた気遣いので行ないます。 *Integrity*

**Coca-Cola**  
BOTTLETS JAPAN INC.

ハッピーなひとときを、  
ボトルから。  
We bottle happy moments.

安全・安心な！本をつくり続けたい、あふれるシーンで新しいおいしさやハッピーなひとときを届け、価値を創造し、限りある資源を大切に、次のつくるにつなげたい。

多様な人材が力を合わせ、さまざまな変革を起こすことで、あふれるほどのハッピーを生み出し、豊かな生活に貢献できると信じています。

人と地域社会と自然環境に寄り添う仕事をしている誇りと使命を胸に、今日も私たちは走り続けます。

Coca-Cola Bottlers Japan Holdings is committed to providing quality in every bottle, delivering great new tastes and happy moments while creating value for every occasion. We are committed to conserving limited resources and achieving a sustainable cycle of production.

With diverse talents working together to accomplish transformation, we believe that we can create an overflow of happiness that will enrich lives.

We continue to drive forward every day with pride in our work and mission to support people, communities, and the natural environment.

From the fiscal year ending December 31, 2020, the year-end “To Our Shareholders” will be integrated into the Notice of Convocation, and “To Our Shareholders” will be issued only for the interim period. Please take advantage of our website, where you can obtain major IR information.

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

Coca-Cola Bottlers Japan IR

Search

## To my fellow Shareholders,

Thank you for your ongoing support and interest in our company.

We positioned 2024 as the “year of strong profit build up,” implementing top-line growth initiatives to maximize profits, achieving cost savings through company-wide transformation, and further strengthening our business foundation. As a result, Business Profit reached 12 billion yen, six times higher than the previous year, exceeding our upwardly revised plan. We are pleased to have made significant progress toward achieving our mid-term management plan “Vision 2028.”

In commercial areas, under a profitability-focused policy, we launched new products, including the first full renewal of Ayataka in seven years, expanded sales space, and strengthened ROI-based marketing. In addition, as a key initiative to improve profitability, we have implemented two price revisions in May and October. In manufacturing and logistics, we focused on building a sustainable supply chain for the future, while in back-office and IT, we advanced standardization and automation through NeoArc, our joint venture with Accenture Japan.

We have also made good progress in our Environmental, Social and Governance activities. These targets include water resource conservation and PET bottle recycling. We have expanded our efforts by collaborating with customers and government agencies to foster a recycling-based society, reduce environmental impact, and expand business opportunities.

To strengthen our human capital, we have revamped our human resources strategy based on “Vision 2028.” For the promotion of Diversity, Equity & Inclusion (DE&I), we have worked to create a more comfortable working environment for employees. We are also collaborating with our customers to raise awareness of DE&I in society. Our ESG efforts, including these initiatives, have been highly evaluated, and for the seventh consecutive year, we have been selected as a component of the DJSI Asia Pacific, a leading global ESG investment index.

In November 2024, we announced a comprehensive shareholder return program aligned with “Vision 2028” to enhance shareholder value. This includes a revised dividend policy that incorporates an ambitious plan to increase dividends through 2028, share buybacks of up to 30 billion yen or 20 million shares, and the cancellation of 23 million treasury shares. In February 2025, we introduced a new shareholder benefit program to increase shareholder value over the mid- to long-term. We have also raised the planned year-end dividend for the fiscal year ending December 31, 2024, by 3 yen per share, bringing the annual dividend to 53 yen per share.

Looking ahead, we plan to increase annual dividends per share by 4 yen, bringing the total to 57 yen for the fiscal year ending December 31, 2025, based on the comprehensive shareholder return policy, aiming for two consecutive years of dividend increases.

2025 is a “year of achieving both profit growth and strengthening foundation” for us. We aim to increase business income by approximately 1.7 times compared to 2024, to 20 billion yen. We will implement top-line growth strategies and transformation initiatives to sustain our current profit growth trend while building a solid foundation for long-term, stable profitability. We are committed to achieving the goals of “Vision 2028.”

We will continue to provide a high-quality supply of products while meeting the evolving needs of our customers to continue as the preferred partner for decades to come.

We are committed to making great strides forward toward sustainable growth and improved corporate value through our mission of “delivering happy moments to everyone while creating value.”

Your continued support and guidance are greatly appreciated. We sincerely wish you the best of health and happiness.

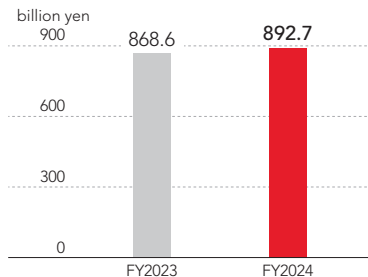
Calin Dragan  
Representative Director & President



# Consolidated Financial Highlights (IFRS)

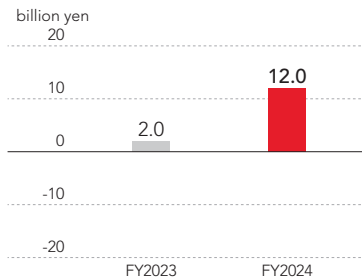
## Sales Revenue

**892.7** billion yen



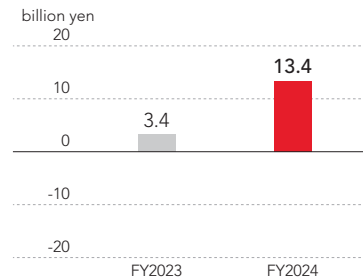
## Business Income

**12.0** billion yen



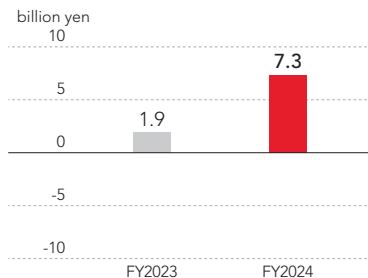
## Operating Income

**13.4** billion yen



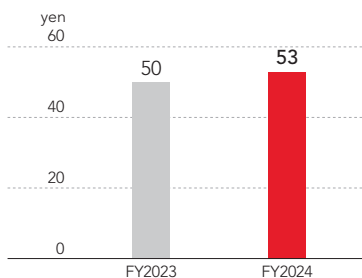
## Net Income attributable to owners of parent

**7.3** billion yen



## Dividend per Share

**53** yen



## Annual Sales Volume

**500**

million cases  
FY2024 actual



## Number of Brands

about **40**  
Brands



## Number of Products

more than **600**  
products



\*Business profit is a measure of the recurring performance of a business and is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue, and adding or subtracting other income and other expenses that are incurred on a recurring basis.

Securities Code: 2579

March 4, 2025

(Start date of electronic provisioning measures: February 26, 2025)

## **NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

Dear Shareholders,

You are hereby notified of the Ordinary General Meeting of Shareholders for the fiscal year ended December 31, 2024 of Coca-Cola Bottlers Japan Holdings Inc. (the “Company”), which will be held as described hereunder.

The Company has adopted an electronic method of providing the Notice of Convocation of the Ordinary General Meeting of Shareholders for the fiscal year 2024. For the convenience of shareholders, some of the items are provided in writing, but the entire items are posted on the following website as the “Notice of Convocation of the 2024 Ordinary General Meeting of Shareholders.”

The Company’s website: ▶ <https://en.ccbj-holdings.com/ir/stockholder/meeting.php>



In addition to the above, the information is also available on the following website on the Internet.

TSE website (TSE-listed company information service):

▶ <https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

\* Please access the above TSE website, enter or search for the issue name (company name) or securities code, and select “Basic information” followed by “Documents for public inspection/PR information” to confirm the information.



If you are unable to attend the Meeting in person, you may exercise your voting rights either by writing (by postal mail) or via the Internet, etc. When exercising your voting rights in advance either by writing or via the Internet, etc., please review the Reference Materials for Ordinary General Meeting of Shareholders listed in the matters of Electronic Provisioning Measures and exercise your voting rights by 5:45 p.m., March 25 (Tuesday), 2025.

Sincerely yours,

**Calin Dragan**

Representative Director & President

*Coca-Cola* **BOTTLERS JAPAN HOLDINGS INC.**

9-7-1 Akasaka, Minato-ku, Tokyo

Matters Related to the Exercise of Voting Rights in Writing or via the Internet, etc.

Attendance on the day of the Meeting

Exercise of voting rights by **writing (by postal mail)** in advance

Please review the attached Reference Materials for the General Meeting of Shareholders, indicate your approval or disapproval to the proposals on the enclosed proxy voting form, and return it without affixing a postage stamp.

**Voting form must be arrived by 5:45 p.m., March 25 (Tuesday), 2025**

**Voting deadline**

Exercise of voting rights via the **Internet, etc.** in advance

Please review the “Instructions on Exercising Voting Rights Via the Internet, etc.” and exercise your voting rights by the deadline.

**By 5:45 p.m., March 25 (Tuesday), 2025**

**Voting deadline**

Exercise of voting rights at the **Virtual-Only General Meeting of Shareholders**

Review the section “On Attending the Virtual-Only General Meeting of Shareholders” and attend the Ordinary General Meeting of Shareholders on the day.

If no indication of approval or disapproval is made on the voting form for a proposal, it will be treated as an indication of approval.

If you exercise your voting rights duplicate in advance, both by writing and via the Internet, etc., the voting via the Internet, etc. shall prevail. In case of multiple voting via the Internet, etc. in advance or both through the personal computer and smartphone, etc. in advance, the last voting shall prevail.

## NOTES

|                       |  |   |
|-----------------------|--|---|
| <b>Date and Time</b>  | <b>March 26, 2025 (Wednesday) at 10:00 a.m. (log in possible from 9:30 a.m.)</b><br>* In the unlikely event that the Ordinary General Meeting of Shareholders cannot be held on the above date and time due to communication problems or other reasons, the General Meeting of Shareholders will be postponed to 10:00 a.m., March 27 (Thursday), 2025.  |   |
| <b>Meeting Format</b> | This Ordinary General Meeting of Shareholders will be held as a general meeting of shareholders <b>without a defined location (virtual-only general meeting)</b> in accordance with the provisions of the law and the Articles of Incorporation of the Company.<br>Please attend through our designated website. See the “Instructions on How to Log In to the Virtual-Only General Meeting of Shareholders” described on Page 4 for further information and instructions on attending the Meeting.<br>The Meeting will be held entirely online using only the Internet. There will be no physical venue for shareholders to attend the Meeting in person. |   |
| <b>Agenda</b>         | <b>Items to be reported</b>  | 1. Business report and consolidated financial statements for the fiscal year ended December 31, 2024 (January 1 to December 31, 2024); and audit reports of consolidated financial statements by Accounting Auditors and the Audit and Supervisory Committee<br>2. Non-consolidated financial statements for the fiscal year ended December 31, 2024 (January 1 to December 31, 2024) |
|                       | <b>Items to be proposed</b>  | Proposal No. 1 Appropriation of surplus<br>Proposal No. 2 Election of five (5) Directors (excluding Directors serving on the Audit and Supervisory Committee)<br>Proposal No. 3 Election of four (4) Directors serving on the Audit and Supervisory Committee   |

- Please review the “Outline of the policy addressing considerations for the interests of shareholders who have difficulties using the Internet” on Page 7.
- In the event of any modifications to the matters of Electronic Provisioning Measures, we will post the modifications on the respective websites where the information is posted.
- The following matters are posted on the websites of both the Company and the TSE as the matters to be provided electronically. They are not included in the document describing matters to be provided electronically, which is sent to shareholders who have requested delivery of the document in accordance with laws and ordinances and the Articles of Incorporation of the Company. The independent auditor and Audit and Supervisory Committee have audited the documents to be audited, including the following matters.
  - (1) “Main Businesses”, “Major Locations, etc.”, “Status of Employees” and “Major Financial Institutions providing loans to the Company” within “Current Status of the Coca-Cola Bottlers Japan Holdings Group” in the Business Report
  - (2) “Accounting Auditor”, “The system to ensure business adequacy” and “Basic Policies on the Control of the Joint-Stock Company” under “Current status of the Company” in the Business Report
  - (3) “Consolidated Statements of Changes in Equity” and “Notes to Consolidated Financial Statements” in Consolidated Financial Statements.
  - (4) “Non-consolidated Statement of Changes in Shareholders’ Equity” and “Notes to Non-consolidated Financial Statements” in Non-consolidated Financial Statements.

The Company’s Website

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



## On Attending the Virtual-Only General Meeting of Shareholders

This general meeting of shareholders will be held exclusively on the Internet, using the virtual-only shareholders' meeting method. Shareholders who wish to participate on the day of the Meeting are requested to attend the Meeting virtually. See the "Instructions on How to Log in to the Virtual-Only General Meeting of Shareholders" on the next page.

### (1) Date and time:

March 26, 2025 (Wednesday) at 10:00 a.m.

(Log in possible from 9:30 a.m.)

Please note that communication problems, such as distorted images and sound or temporary disconnections of the livestream, may arise due to the communication environment.

If the Company determines that the impact of such telecommunications failures and other problems will make it difficult to hold the Ordinary General Meeting of Shareholders, then the Meeting may be postponed or continued a later date as described on page 2 of this Notice of Convocation.

In the unlikely event that it becomes difficult to hold this Ordinary General Meeting of Shareholders, the Company will promptly notify shareholders via the Company's website (<https://en.ccbj-holdings.com/>).

Any other changes to the operation of this Ordinary General Meeting of Shareholders will also be announced on the Company's website (<https://en.ccbj-holdings.com/>).

### (2) Information required to log in (ID and Password)

In order to view the Meeting, you will need to enter your ID and Password. Please review the enclosed notice. (Refer to the following pages for other required information.)

Log in ID and password

In order to view the Meeting, you will need to enter your ID and Password. Please review the enclosed notice.

## Instructions on How to Log in to the Virtual-Only General Meeting of Shareholders

1. Date and time: March 26, 2025 (Wednesday) at 10:00 a.m.

(Log in possible from 9:30 a.m.)

### 2. How to log in

(1) Use the following URL or QR code to access the livestream site

<https://web.lumiagm.com/163036741>

\* Meeting ID: 163-036-741



(2) Set the language to “Japanese” or “English.”

(3) Read the “Notice regarding attendance at the Virtual General Meeting of Shareholders” to the end, check the “I agree to all of the above terms and conditions” box, and click “Accept.”

(4) Enter your ID and password : Please review the enclosed notice.

IDs and passwords are different for each shareholder.

If you have lost your enclosed notice, please contact the “Contact” listed in 6.

Please note that we can reissue the “Notice with ID and Password”, but you must apply for it by 5:00 p.m. on Tuesday, March 18, 2025. Please note that we will not be able to reissue the enclosed notice or provide a verbal response after the deadline has passed.



The screenshot shows the login interface for the virtual general meeting. At the top is the Coca-Cola logo with the text 'BOTTLERS JAPAN HOLDINGS INC.' below it. There are two input fields: 'Log in ID' with a placeholder 'ログインID' and 'Log in password' with a placeholder 'ログインPW'. A red button at the bottom contains the text 'バーチャル株主総会に参加する' (Attend Virtual General Meeting of Shareholders).

Please enter your ID and password described in the enclosed notice.

(5) Enter your log in ID and password, and then click “Attend Virtual General Meeting of Shareholders.”

Wait until the start time of March 26, 2025 (Wednesday) at 10:00 a.m.



## Preliminary Arrangements (Submitting Preliminary Questions and Attending by Proxy)

### 1. Submitting preliminary questions

Questions related to the points on the Meeting Agenda can be submitted in advance. Agenda items that draw significant interest from shareholders will be addressed at the Ordinary General Meeting of Shareholders.

To submit questions in advance, refer to the "Instructions on How to Log in to the Virtual-Only General Meeting of Shareholders" on the previous page and log in during the Period for Accepting Preliminary Questions indicated below.

After logging in, you can submit questions using the "Preliminary Questions" tab from among the buttons on the screen.

You may also submit preliminary questions in writing. Write down your preliminary questions and send them to the postal address given below.

(Period for Accepting Preliminary Questions)

From March 4, 2025 (Tuesday) at 10:00 a.m. to March 19, 2025 (Wednesday) at 5:00 p.m.

(Postal address)

Secretariat of General Meetings of Shareholders

Coca-Cola Bottlers Japan Holdings Inc.

Tokyo Midtown Tower, 9-7-1 Akasaka, Minato-ku, Tokyo 107-6211

### 2. Attending by proxy

Shareholders who wish to attend the Ordinary General Meeting of Shareholders by proxy are requested to delegate one (1) other shareholder with voting rights to attend the Meeting in accordance with laws and ordinances and Articles of Incorporation of the Company.

If you wish to attend the Meeting by proxy, you will need to send a "document verifying the delegation of voting rights (letter of proxy)" or similar document to the Company prior to the Meeting. The document should be sent to the contact details given below.

If you would like to download a letter of proxy form, see the "Instructions on How to Log in to the Virtual-Only General Meeting of Shareholders" on the previous page and log in.

After logging in, you can download a letter of proxy form from the "Documents" tab at the far right of the buttons at the top of the screen.

(Submission deadline)

The letter of proxy must have reached us by 5:00 p.m. on March 19, 2025 (Wednesday)

(Send to)

• E-mail: [BJH\\_AGM@ccbji.co.jp](mailto:BJH_AGM@ccbji.co.jp)

• Postal address: General Meetings of Shareholders Secretariat

Coca-Cola Bottlers Japan Holdings Inc.

Tokyo Midtown Tower, 9-7-1 Akasaka, Minato-ku, Tokyo 107-6211

## **Important Notes, Etc.**

### **1. Exercising your voting rights**

- (1) How to exercise your voting rights on the day of the Ordinary General Meeting of Shareholders

After logging in to the livestream page on the day of the Meeting, follow the Chairperson's instructions and use the "Exercise of Voting Rights" tab to indicate your approval or disapproval of the agenda items.

- (2) Exercising voting rights in advance vs. exercising voting rights on the day of the Ordinary General Meeting of Shareholders

If a shareholder who has exercised his/her voting rights in writing (by postal mail) or via the Internet, etc. in advance attends the virtual meeting on the day of the Ordinary General Meeting of Shareholders, the prior exercise of voting rights will be deemed invalid when the vote on the day is confirmed.

If you exercise your voting rights in advance and attend the virtual meeting on the day of the Ordinary General Meeting of Shareholders but the Company is unable to confirm your vote on the day of the Meeting, the Company will treat your prior exercise of voting rights as valid.

### **2. Questions and motions**

Shareholders who attend the Virtual-Only General Meeting of Shareholders may submit questions and motions online (registration is carried out by entering text on the website designated by the Company).

Due to the limited time available for questions and to ensure the smooth progression of the Meeting, we ask that each participant submit no more than three questions, at a length of no more than 1,000 characters.

Time constraints and other considerations may make it impossible to answer all questions. In that case, meeting organizers will focus on questions that both relate to the Meeting Agenda of the Ordinary General Meeting of Shareholders and do not overlap with other questions.

Please note that in order to ensure the smooth progression of the Meeting, motions should be limited to 1,000 characters or less per proposal.

### **3. Policy on measures to counteract communication failures**

- (1) As a measure to counteract communication failures, the Company will use an IT system that offers a high degree of both safety and convenience to shareholders at the time of the Meeting, for example by using more-than-sufficient capacity.

In addition, the Company will allocate specialized staff capable of responding to communication failures on the day of the Ordinary General Meeting of Shareholders.

- (2) As a measure to counteract communication and other failures, the Company will prepare backup solutions such as additional connections.

In the event of a communication or other failure, the Meeting will swiftly be moved to such an additional connection, depending on the severity of the failure.

(3) To prepare for the event that a communication failure causes a significant disruption in the proceedings, the Company will consult with the Chairperson at the beginning of the Ordinary General Meeting of Shareholders about a resolution to entrust the Chairperson with the authority to postpone the Meeting or continue it at a later date.

If, based on such a resolution, the Chairperson decides to postpone or continue the Meeting at a later date, such information will promptly be posted on the Company's website (<https://en.ccbj-holdings.com/>) to inform shareholders.

(4) In preparation for possible communication failures, etc., the Company has prepared specific response scenarios, including policies for responding to communication failures, decision-making procedures, and the means of informing shareholders.

In the event of a significant communication failure, the Company will respond based on these scenarios to ensure the smooth operation of the Ordinary General Meeting of Shareholders.

#### **4. Outline of the policy addressing considerations for the interests of shareholders who have difficulties using the Internet as a means of communication to send and receive information on the agenda of this Ordinary General Meeting of Shareholders**

Shareholders who wish to exercise their voting rights but have difficulties using the Internet are requested to exercise their voting rights in writing in advance.

In addition, shareholders who have difficulties using the Internet will be able to follow the proceedings by calling the dedicated number for the teleconference system and receiving the audio transmission.

Those who want to use the teleconference system will need to register in advance. Please note that the teleconference system will only allow users to listen to the audio transmission and does not enable the exercise of voting rights. Shareholders who wish to exercise their voting rights are requested to do so in writing in advance.

Please note that telecommunication charges related to the audio transmission are to be borne by the shareholder.

#### **[How to register to use the teleconference system]**

Registrations are accepted by telephone or e-mail.

Those who wish to use the teleconference system should call the telephone number below and request to do so, providing shareholder number and name as given on their voting form.

The General Meetings of Shareholders Secretariat will contact them by phone separately to provide additional details.

- Registration period: From March 4, 2025 (Tuesday) at 9:00 a.m. to March 19, 2025 (Wednesday) at 5:00 p.m.
- Telephone: +81 120-245-022 (Virtual-Only General Meeting of Shareholders Help Desk)
- E-mail: BJH\_AGM@ccbji.co.jp

## 5. Other notes

Although the Company will take all reasonable precautions to counteract communications disruptions during the holding of this Ordinary General Meeting of Shareholders, there may be cases where a shareholder is unable to virtually attend the Meeting or exercise their voting rights, etc. due to malfunctions with the personal computer or smartphone used by the shareholder or disruptions to the shareholder's Internet connection.

Please note that the Company shall not be liable for any disadvantages incurred by shareholders as a result of such communication problems.

Please refrain from filming, recording, archiving, or posting the content of the livestream on social media or elsewhere.

This Ordinary General Meeting of Shareholders will be livestreamed in both Japanese and English.

Shareholders will be able to switch between Japanese and English on the livestream by listening to simultaneously interpreted audio.

Shareholders will be responsible for all expenses and telecommunications equipment necessary to attend the meeting.

The recommended environments for attending the Virtual-Only General Meeting of Shareholders are as follows.

|         | Computer   |                            | Smartphone          |                 |
|---------|--|----------------------------|---------------------|-----------------|
|         | Windows  | Mac                        | Android             | iOS             |
| OS      | Windows 11<br>Windows 10                           | Latest version of<br>macOS | Android 5 or higher | iOS11 or higher |
| Browser | Microsoft Edge<br>Google Chrome<br>Mozilla Firefox | Safari                     | Chrome              | Safari          |

\* Use the latest version of your browser.

\* A stable internet connection with a minimum speed of 1 Mbps is required. A high-speed Internet connection of at least 5 Mbps is recommended for streaming high-quality video.

## 6. Contact

**For inquiries regarding attendance at this Ordinary General Meeting of Shareholders, information on how to ask questions, the system for exercising voting rights, etc.**

Virtual-Only General Meeting of Shareholders Help Desk Telephone Number: +81 120-245-022

<<Office Hours>>

9:00 a.m. to 5:00 p.m. on weekdays between March 4, 2025 (Tuesday) and March 25, 2025 (Tuesday)

\* Closed on Saturdays, Sundays, and holidays

From 9:00 a.m. until the end of the livestream on the day of the Ordinary General Meeting of Shareholders

**Inquiries about re-issuance of "Notice of ID / Password" required for log in**

Sumitomo Mitsui Trust Bank Virtual General Meeting of Shareholders Support Number: +81 120-782-041

<<Office Hours>>

9:00 a.m. to 5:00 p.m. on weekdays between March 4, 2025 (Tuesday) and March 25, 2025 (Tuesday)

\* Closed on Saturdays, Sundays, and holidays

From 9:00 a.m. until the end of the livestream on the day of the Ordinary General Meeting of Shareholders

## Reference Materials for General Meeting of Shareholders

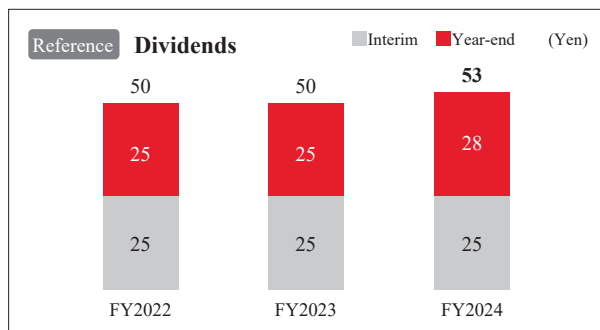
### Proposal No. 1: Appropriation of surplus

We place the highest priority on paying active and stable dividends.

The year-end dividend is proposed to be as follows, based on the progressive dividend policy of maintaining or increasing the annual dividend, with the annual dividend per share to be maintained or increased each year over the previous year.

#### Year-end dividends

|   |   |
|---|---|
| <b>① Type of assets to be distributed</b>                           | Cash  |
| <b>② Allotment of assets to be distributed and the total amount</b> | We propose to pay <b>28 yen</b> per share of the Company's common stock. In this case, the total amount of dividends will be <b>5,056,705,248 yen</b> . As a result, including interim dividends, annual dividends per share will be 53 yen per share, 3 yen more than those of the previous fiscal year. |
| <b>③ Effective date of the dividends of surplus</b>                 | We propose March 28, 2025 as the effective date of the dividends of surplus.  |



#### Dividend Policy

Regarding the dividends, our basic policy is to actively and stably return profits to shareholders, and we will pay interim and year-end dividends after comprehensive consideration of business performance, investment for growth, and internal reserves. Under our Strategic Business Plan “Vision 2028”, we aim to achieve a consolidated dividend payout ratio of 40% or more and a consolidated dividend on equity (DOE) ratio of 2.5% or more in 2028, and during the relevant period we will introduce a progressive dividend, with the annual dividend per share to be maintained or increased each year over the previous year.

**Proposal No. 2:****Election of five (5) Directors (excluding Directors serving on the Audit and Supervisory Committee)**

All five (5) Directors (excluding Directors serving on the Audit and Supervisory Committee) will complete their terms at the end of this Ordinary General Meeting of Shareholders.

Therefore, we would like to request the election of five (5) Directors (excluding Directors serving on the Audit and Supervisory Committee).

The candidates for Directors (excluding Directors serving on the Audit and Supervisory Committee) are as follows:

| No. | Name               | Attributes                     | Current Position and Responsibility in the Company |  |
|-----|--------------------|--------------------------------|--|--|
|     |                    |                                | Position   | Responsibility   |
| 1   | Calin Dragan       | Reelection                     | Representative Director                            | President  |
| 2   | Bjorn Ivar Ulgenes | Reelection                     | Representative Director                            | Vice President<br>Chief Financial Officer<br>(Head of Finance) |
| 3   | Hiroko Wada        | Reelection Outside Independent | Outside Director                                   | –  |
| 4   | Hirokazu Yamura    | Reelection Outside             | Outside Director                                   | –  |
| 5   | Celso Guiotoko     | Reelection Outside Independent | Outside Director                                   | –  |

**Reference: Guidelines and Procedures for the Nomination of Candidates for Directors**

- In nominating Internal Director candidates for the Company, the Company's Board of Directors makes decisions by appropriately evaluating the degree of their contribution and future potential, etc. based on the Company's evaluation system from an independent and objective perspective.
- In nominating Outside Director candidates, the Company's Board of Directors nominates those who are deemed likely to make a significant contribution to enhancing the Company's corporate value from an independent and objective perspective.
- In addition, in nominating candidates for Directors who will be Audit and Supervisory Committee members, the Company makes sure that it nominates at least one (1) candidate who has appropriate knowledge of finance and accounting.
- As for the current procedures for nominating Director candidates, the report of the Audit and Supervisory Committee that consists of only Outside Directors, half of whom are Independent Outside Directors, is respected, and decisions are made by the Board of Directors, seven of whose nine members are constituted by Outside Directors. Thus, the Company believes that transparency and fairness are ensured.

Candidate **No. 1**

# Calin Dragan

Reelection

Date of birth: October 24, 1966, 58 years old



| Relationship of special interest in the Company | No. of Company Shares Owned              | Attendance at Board of Directors meetings |
|---|--|---|
| None  | <b>9,918</b><br>*As of December 31, 2024 | <b>6/6</b><br>*Attendance rate: 100%      |

## Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

|         |      |   |
|---------|------|---|
| June    | 1993 | Joined Coca-Cola Leventis   |
| January | 2000 | Joined Coca-Cola Hellenic Bottling Company S.A.   |
| January | 2005 | General Manager and Administrator in charge of Romania and Mordovian Republic, Coca-Cola Hellenic Bottling Company S.A.   |
| July    | 2011 | Executive Corporate Officer, Coca-Cola West Co., Ltd.   |
| March   | 2012 | Representative Director, Coca-Cola West Co., Ltd.<br>Vice President, Coca-Cola West Co., Ltd.   |
| July    | 2013 | Representative Director & President, Coca-Cola East Japan Co., Ltd.   |
| May     | 2017 | Regional Director, The Coca-Cola Company Bottling Investments Group<br>Regional Director, Coca-Cola Far East Limited  |
| January | 2018 | President, The Coca-Cola Company Bottling Investments Group   |
| March   | 2019 | Executive Officer, Coca-Cola Bottlers Japan Holdings Inc.<br>Executive Officer, Coca-Cola Bottlers Japan Inc.<br>Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)<br>President, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)<br>Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent)<br>President, Coca-Cola Bottlers Japan Inc. |
| January | 2022 | President & Chief Executive Officer, Coca-Cola Bottlers Japan Inc. (incumbent)  |

## Significant Concurrent Positions

Representative Director, President & Chief Executive Officer, Coca-Cola Bottlers Japan Inc.

### Reasons for nomination as candidate for Director

The Company requests the election of Calin Dragan as a Director because of his considerable experience as the Representative Director & President of Coca-Cola Bottling companies within Japan and gained at The Coca-Cola Company, his global business knowledge of Coca-Cola business operations, and how he has exercised leadership in his present position as a Senior General Manager of Business of the Company and Group, to utilize his ability and experience, etc. in the management of the Group.

**Candidate No. 2****Bjorn Ivar Ulgenes****Reelection**

Date of birth: April 5, 1968, 56 years old



| Relationship of special interest in the Company  | No. of Company Shares Owned              | Attendance at Board of Directors meetings |
|--|--|---|
| Bjorn Ivar Ulgenes is a Representative Director of NeoArc Inc. The Company has business transactions with NeoArc Inc. such as lending working capital to subsidiaries and receiving deposits (cash management system) from subsidiaries and interest payments with NeoArc Inc. | <b>3,966</b><br>*As of December 31, 2024 | <b>6/6</b><br>*Attendance rate: 100%      |

**Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions**

|          |      |  |
|----------|------|--|
| July     | 1997 | Joined The Coca-Cola Company   |
| August   | 2005 | Finance Director, North & West Africa Business Unit, The Coca-Cola Company   |
| May      | 2008 | Finance Director & Executive Assistant to the Business Unit President, North & West Africa Business Unit, The Coca-Cola Company  |
| June     | 2009 | GM Innovation & EA, North & West Africa Business Unit, The Coca-Cola Company   |
| February | 2010 | Senior Vice President Finance, The Coca-Cola (Japan) Co., Ltd.   |
| January  | 2013 | Finance Director, Central, East & West Africa Group, The Coca-Cola Company   |
| April    | 2016 | Deputy Finance Director, Europe, Middle East & Africa (EMEA) Group, The Coca-Cola Company  |
| October  | 2018 | Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Holdings Inc.<br>Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Inc.  |
| November | 2018 | Representative Director & President, Coca-Cola Bottlers Japan Sales Support Inc.   |
| January  | 2019 | Representative Director & President, Coca-Cola Bottlers Japan Business Services Inc.   |
| February | 2019 | Executive Officer, Coca-Cola Bottlers Japan Holdings Inc.<br>Executive Officer, Coca-Cola Bottlers Japan Inc.  |
| March    | 2019 | Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)<br>Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Holdings Inc. (incumbent)<br>Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent)<br>Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Inc. |
| December | 2019 | Representative Director & Chairman, Q'SAI CO., LTD.  |
| January  | 2022 | Vice President & Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc. (incumbent)  |
| March    | 2022 | Representative Director & Chairman, Coca-Cola Bottlers Japan Business Services Inc.  |
| November | 2022 | Representative Director, Chairman and President, Coca-Cola Bottlers Japan Business Services Inc. (incumbent)   |
| January  | 2024 | Representative Director, NeoArc Inc. (incumbent)   |
| January  | 2025 | Representative Director, onEQuest Co., Ltd. (incumbent)  |

**Significant Concurrent Positions**

Representative Director, Vice President, Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc.  
 Representative Director, Chairman and President of Coca-Cola Bottlers Japan Business Service Inc.  
 Representative Director, NeoArc Inc.  
 Representative Director, onEQuest Co. Ltd.

**Reasons for nomination as candidate for Director**

The Company requests the election of Bjorn Ivar Ulgenes as a Director because of his considerable experience as the Representative Director, Vice President, Chief Financial Officer (Head of Finance) of the Company and gained at The Coca-Cola Company, his global business knowledge of Coca-Cola business operations, and because of how he has exercised leadership in his present position as a Senior General Manager of Business of the Company and Group, to utilize his ability and experience, etc. in the management of the Group.



# Candidate No. 3 Hiroko Wada

Date of birth: May 4, 1952, 72 years old

Reelection

Outside

Independent



| Relationship of special interest in the Company | No. of Company Shares Owned   | Attendance at Board of Directors meetings |
|---|-------------------------------|---|
| None  | -<br>*As of December 31, 2024 | 6/6<br>*Attendance rate: 100%             |

## Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

|          |      |   |
|----------|------|---|
| April    | 1977 | Joined Procter & Gamble Sunhome Co., Ltd.   |
| January  | 1998 | Vice President, In charge of Corporate New Ventures, Asia, The Procter & Gamble Company (U.S.)  |
| March    | 2001 | Representative Director & President, Dyson Ltd.   |
| April    | 2004 | Representative Director, President & COO, Toys”R”Us-Japan, Ltd.   |
| November | 2004 | Representative, Office WaDa (incumbent)   |
| May      | 2009 | Outside Director, Aderans Holdings Co., Ltd.  |
| June     | 2016 | Outside Director, Shimadzu Corporation  |
| March    | 2019 | Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)<br>Outside Director (Audit & Supervisory Committee Member), Unicharm Corporation |

## Significant Concurrent Positions

Representative, Office WaDa

### Reasons for nomination as candidate for Outside Director and overview of expected roles

The Company requests the election of Hiroko Wada as a Director (Outside Director) in the expectation that she will 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.

Candidate **No. 4**

**Hirokazu Yamura**

Reelection

Outside

Date of birth: September 28, 1977, 47 years old



| Relationship of special interest in the Company  | No. of Company Shares Owned   | Attendance at Board of Directors meetings |
|--|-------------------------------|---|
| Hirokazu Yamura is Representative Director & President of Michinoku Coca-Cola Bottling Co., Ltd. The Company has business relations in product trading, etc. with Michinoku Coca-Cola Bottling Co., Ltd. (Sales etc. 0.5% of the Company's net sales; Purchases etc. 3.3% of the net revenues of Michinoku Coca-Cola Bottling Co., Ltd.) | -<br>*As of December 31, 2024 | 6/6<br>*Attendance rate: 100%             |

#### Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

|          |      |   |
|----------|------|---|
| October  | 2006 | Joined Michinoku Coca-Cola Bottling Co., Ltd.   |
| February | 2009 | Director, Michinoku Coca-Cola Bottling Co., Ltd.  |
| March    | 2012 | Managing Director, Michinoku Coca-Cola Bottling Co., Ltd.                               |
| March    | 2013 | Senior Managing Director, Michinoku Coca-Cola Bottling Co., Ltd.                        |
| March    | 2014 | Representative Director & President, Michinoku Coca-Cola Bottling Co., Ltd. (incumbent) |
| March    | 2020 | Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)                    |

#### Significant Concurrent Positions

Representative Director & President, Michinoku Coca-Cola Bottling Co., Ltd.

#### Reasons for nomination as candidate for Outside Director and overview of expected roles

The Company requests the election of Hirokazu Yamura as a Director (Outside Director) in expectation that he will utilize, for the management of the Company, the considerable experience and knowledge he has gained in management and as Representative Director & President at Michinoku Coca-Cola Bottling Co., Ltd.

Candidate **No. 5**

**Celso Guiotoko**

Date of birth: January 3, 1959, 66 years old

Reelection

Outside

Independent



| Relationship of special interest in the Company | No. of Company Shares Owned   | Attendance at Board of Directors meetings |
|---|-------------------------------|---|
| None  | -<br>*As of December 31, 2024 | 6/6<br>*Attendance rate: 100%             |

### Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

|          |      |  |
|----------|------|--|
| December | 1983 | Joined Banco Bradesco SA   |
| January  | 1985 | Senior Manager, Arthur Andersen (Accenture)  |
| March    | 1996 | System Director, Toshiba America Electronic Components, Inc.   |
| December | 1997 | Solution Service Vice President, i2 Technologies Japan, Inc.   |
| May      | 2004 | Vice President & CIO (Chief Information Officer), Nissan Motor Co., Ltd.   |
| April    | 2006 | Corporate Vice President & CIO, Nissan Motor Co., Ltd.   |
| April    | 2014 | Senior Corporate Vice President & CIO, Nissan Motor Co., Ltd.  |
| June     | 2017 | Statutory Auditor, Nissan Motor Co., Ltd.  |
| March    | 2019 | Outside Director (Audit & Supervisory Committee Member), Coca-Cola Bottlers Japan Holdings Inc.<br>Executive Officer and Global Chief Digital Officer, Nishimoto Co., Ltd. |
| March    | 2020 | Director and Global Chief Digital Officer, Nishimoto Co., Ltd.   |
| March    | 2023 | Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)   |
| January  | 2024 | Director, NeoArc Inc. (incumbent)  |
| April    | 2024 | Senior Managing Executive Officer, Chief Information Officer (CIO) and Chief Information Security Officer (CISO), JERA Co., Inc. (incumbent)                               |

### Significant Concurrent Positions

Director, NeoArc Inc.  
Senior Managing Executive Officer, CIO and CISO, JERA Co., Inc.

### Reasons for nomination as candidate for Outside Director

The Company requests the election of Celso Guiotoko as a Director (Outside Director) in the expectation that he will utilize, for the management of the Company, the considerable experience and global knowledge he has gained thus far at Nissan Motor Co., Ltd. (“Nissan”), Nishimoto Co., Ltd. as well as JERA Co., Inc.

Notes:

1. Company names listed in the personal profile reflect business names at time of employment.
2. The Company has entered into officers' liability insurance agreements with Calin Dragan, Bjorn Ivar Ulgenes, Hiroko Wada, Hirokazu Yamura and Celso Guiotoko as insureds, whose insurance premiums are fully borne by the Company, and if their elections are approved, said agreements shall be renewed. The agreement will outline that, in the event of a claim for damages by a shareholder, the Company, an employee or another third party during the insurance period arising from an act done by the insureds in relation to their work as the Company's officers, such compensation for damages and legal expenses, etc. shall be compensated.
3. The Company has entered into agreements for limitation of liability with Hiroko Wada, Hirokazu Yamura and Celso Guiotoko, and if their elections are approved, said agreements shall remain in effect. The agreement will outline that in cases where the Directors (excluding Executive Directors, etc.) have caused damages to the Company due to non-performance of their duties and yet they are bona fide and there is no gross negligence from them in performing their duties, they shall be liable for the damages to the limit of minimum liability set forth in Article 425, Paragraph 1 of the Companies Act.
4. Hiroko Wada, Hirokazu Yamura and Celso Guiotoko are candidates for Outside Director.
  - (1) Shimadzu Corporation, for which Hiroko Wada serves as an Outside Director, announced that its subsidiary Shimadzu Medical Systems Corporation had been found to have engaged in inappropriate conduct related to maintenance and inspection services for X-ray equipment installed at medical institutions with which the company does business in September 2022. In February 2023, the Company announced that it would promptly formulate and implement specific measures to prevent recurrence, based on an analysis of the causes and recommendations regarding the measures to prevent recurrence from an external investigation committee. Subsequently, in August 2023, the Company announced that the Kyushu Branch Kumamoto Office of Shimadzu Medical Systems Corporation had received a business improvement order from Kumamoto Prefecture.

Hiroko Wada has fulfilled her responsibilities such as by providing regular suggestions from the standpoint of legal compliance at the Board of Directors meetings, etc. In addition, after becoming aware of these problems, she has fulfilled her responsibilities such as by providing suggestions of ensuring legal compliance and making recommendations as appropriate for efforts to prevent recurrence.
  - (2) Hiroko Wada, Hirokazu Yamura and Celso Guiotoko are incumbent Outside Directors of the Company. At the conclusion of this General Meeting of Shareholders, Hiroko Wada and Celso Guiotoko have assumed the office as Outside Director for six (6) years, and Hirokazu Yamura has assumed the office as Outside Director for five (5) years.
  - (3) The Company has submitted a notice to Tokyo Stock Exchange, Inc., on which the Company is listed, that Hiroko Wada and Celso Guiotoko are "Independent Directors" in accordance with the rules, etc. of the said securities exchange. If their elections are approved, they will continue to be Independent Directors.

**Proposal No. 3:****Election of four (4) Directors serving on the Audit and Supervisory Committee**

All four (4) Directors serving on the Audit and Supervisory Committee will complete their terms at the end of this Ordinary General Meeting of Shareholders.

Therefore, we would like to request the election of four (4) Directors serving on the Audit and Supervisory Committee.

We have obtained the consent of the Audit and Supervisory Committee in connection with this proposal.

The candidates for Directors serving on the Audit and Supervisory Committee are as follows:

| No. | Name        | Attributes                       | Current Position in the Company                            |
|-----|-------------|----------------------------------|--|
| 1   | Nami Hamada | Reelection Outside Independent   | Outside Director<br>(Audit & Supervisory Committee Member) |
| 2   | Stacy Apter | Reelection Outside               | Outside Director<br>(Audit & Supervisory Committee Member) |
| 3   | Sanket Ray  | Reelection Outside               | Outside Director<br>(Audit & Supervisory Committee Member) |
| 4   | Rika Saeki  | New election Outside Independent | —  |

**Reference: Guidelines and Procedures for the Nomination of Candidates for Directors**

- In nominating Internal Director candidates for the Company, the Company's Board of Directors makes decisions by appropriately evaluating the degree of their contribution and future potential, etc. based on the Company's evaluation system from an independent and objective perspective.
- In nominating Outside Director candidates, the Company's Board of Directors nominates those who are deemed likely to make a significant contribution to enhancing the Company's corporate value from an independent and objective perspective.
- In addition, in nominating candidates for Directors who will be Audit and Supervisory Committee members, the Company makes sure that it nominates at least one (1) candidate who has appropriate knowledge of finance and accounting.
- As for the current procedures for nominating Director candidates, the report of the Audit and Supervisory Committee that consists of only Outside Directors, half of whom are Independent Outside Directors, is respected, and decisions are made by the Board of Directors, seven of whose nine members are constituted by Outside Directors. Thus, the Company believes that transparency and fairness are ensured.

# Candidate No. 1 Nami Hamada

Date of birth: August 3, 1964, 60 years old

Reelection

Outside

Independent



| Relationship of special interest in the Company | No. of Company Shares Owned | Attendance at Board of Directors meetings | Attendance at Audit and Supervisory Committee meetings |
|---|-----------------------------|---|--|
| None  | -                           | 6/6                                       | 5/5  |
|   | *As of December 31, 2024    | *Attendance rate: 100%                    | *Attendance rate: 100%                                 |

## Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

|          |      |   |
|----------|------|---|
| July     | 1992 | Joined Lehman Brothers Holdings Inc.  |
| October  | 1996 | Vice President, Lehman Brothers Japan Inc.  |
| June     | 1999 | Senior Vice President, Lehman Brothers Japan Inc.   |
| May      | 2004 | Representative Director, HDH Advisors Japan Limited.  |
| December | 2006 | Principal, HDH Capital Management Pte Ltd. (Former Company Name: HDH Advisors)  |
| March    | 2009 | Founder, Managing Director, Mile High Capital Inc. (incumbent)  |
| August   | 2017 | Director, Ecoplexus Japan K.K.  |
| February | 2019 | Chief Operating Officer, Vesper Group Japan K.K.  |
| March    | 2019 | Outside Director (Audit & Supervisory Committee Member), Coca-Cola Bottlers Japan Holdings Inc. (incumbent)                               |
| May      | 2020 | Outside Director (Audit Committee Member), MetLife Insurance K.K.   |
| June     | 2022 | Outside Director (Audit Committee Member, Nominating Committee Member, Compensation Committee Member), MetLife Insurance K.K. (incumbent) |
| June     | 2022 | Outside Director, Shimadzu Corporation (incumbent)  |

## Significant Concurrent Positions

Founder, Managing Director, Mile High Capital Inc.

Outside Director (Audit Committee Member, Nominating Committee Member, Compensation Committee Member), MetLife Insurance K.K.

Outside Director, Shimadzu Corporation

## Reasons for nomination as candidate for Outside Director and overview of expected roles

Nami Hamada has considerable experiences on Finance and Accounting gained as a proprietor of her own finance consulting company and considerable experiences and global expertise gained as a corporate executive at Lehman Brothers Japan Inc. and possesses management supervisory experience as Statutory Auditor 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 internal control system, and the Company hereby requests the election of Hamada as a Director serving on the Audit and Supervisory Committee (Outside Director).

# Candidate No. 2 Stacy Apter

Reelection

Outside

Date of birth: July 14, 1966, 58 years old



| Relationship of special interest in the Company   | No. of Company Shares Owned   | Attendance at Board of Directors meetings | Attendance at Audit and Supervisory Committee meetings |
|---|-------------------------------|---|--|
| Stacy Apter is Senior Vice President and Treasurer, Head of Corporate Finance, The Coca-Cola Company. The Company has entered contracts for manufacturing and sales of Coca-Cola and other products and use of trademarks, etc. with The Coca-Cola Company. | -<br>*As of December 31, 2024 | 6/6<br>*Attendance rate: 100%             | 5/5<br>*Attendance rate: 100%                          |

## Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

|         |      |   |
|---------|------|---|
|         | 2005 | Joined The Coca-Cola Company  |
| May     | 2018 | Director, Treasury, The Coca-Cola Company   |
| July    | 2018 | Assistant Treasurer, The Coca-Cola Company  |
| October | 2018 | Chief of Staff to the Chairman and CEO, The Coca-Cola Company   |
| January | 2021 | Deputy Treasurer, The Coca-Cola Company   |
| March   | 2021 | Vice President & Treasurer, The Coca-Cola Company   |
| October | 2022 | Vice President, Treasurer and Corporate Finance, The Coca-Cola Company                                      |
| March   | 2023 | Outside Director (Audit & Supervisory Committee Member), Coca-Cola Bottlers Japan Holdings Inc. (incumbent) |
| April   | 2023 | Director, Synovus Financial Corp. (incumbent)   |
| January | 2024 | Senior Vice President and Treasurer, Head of Corporate Finance, The Coca-Cola Company (incumbent)           |

## Significant Concurrent Positions

Senior Vice President and Treasurer, Head of Corporate Finance, The Coca-Cola Company  
 Director, Synovus Financial Corp.

## Reasons for nomination as candidate for Outside Director and overview of expected roles

Stacy Apter is Senior Vice President and Treasurer, Head of Corporate Finance, 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 in the financial and risk management field, she is expected to provide advises 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 internal control system, and the Company hereby requests the election of Apter as a Director serving on the Audit and Supervisory Committee (Outside Director).

# Candidate No. 3 Sanket Ray

Reelection

Outside

Date of birth: April 25, 1973, 51 years old



| Relationship of special interest in the Company   | No. of Company Shares Owned   | Attendance at Board of Directors meetings | Attendance at Audit and Supervisory Committee meetings |
|---|-------------------------------|---|--|
| Sanket Ray is President of India and Southwest Asia, The Coca-Cola Company. The Company has entered contracts for manufacturing and sales of Coca-Cola and other products and use of trademarks, etc. with The Coca-Cola Company. | -<br>*As of December 31, 2024 | 6/6<br>*Attendance rate: 100%             | 5/5<br>*Attendance rate: 100%                          |

## Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

|          |      |   |
|----------|------|---|
|          | 2004 | Joined The Coca-Cola Company  |
|          | 2005 | Joined HINDUSTAN COCA-COLA BEVERAGES PRIVATE LIMITED (INDIA)  |
| August   | 2016 | CEO, COCA-COLA BEVERAGES VIETNAM LIMITED  |
| January  | 2019 | Chief Operating Officer for mainland China, The Coca-Cola Company   |
| February | 2020 | President of India and Southwest Asia, The Coca-Cola Company (incumbent)                                    |
| March    | 2023 | Outside Director (Audit & Supervisory Committee Member), Coca-Cola Bottlers Japan Holdings Inc. (incumbent) |

## Significant Concurrent Positions

President of India and Southwest Asia, The Coca-Cola Company

### Reasons for nomination as candidate for Outside Director and overview of expected roles

Sanket Ray is President of India and Southwest Asia, The Coca-Cola Company, who has demonstrated strong leadership in mainly commercial at The Coca-Cola Company and has considerable management experiences 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 advises 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 hereby requests the election of Ray as a Director serving on the Audit and Supervisory Committee (Outside Director).



# Candidate No. 4 Rika Saeki

Date of birth: January 11, 1968, 57 years old

New election

Outside

Independent



| Relationship of special interest in the Company | No. of Company Shares Owned | Attendance at Board of Directors meetings | Attendance at Audit and Supervisory Committee meetings |
|---|-----------------------------|---|--|
| -   | -                           | -   | -  |
| *As of December 31, 2024                        |                             |   |  |

## Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions

|           |      |   |
|-----------|------|---|
| September | 1993 | Joined Masuda, Funai, Eifert & Mitchell, Ltd. (Chicago, Illinois, U.S.A.)                     |
| November  | 1993 | Admitted to the Illinois Bar, U.S.A.  |
| May       | 2000 | Joined Morrison & Foerster LLP  |
| January   | 2008 | Of Counsel, Morrison & Foerster LLP (incumbent)   |
| December  | 2013 | Registered as a Foreign Special Member of the Daini Tokyo Bar Association                     |
| June      | 2016 | Outside Director (Audit & Supervisory Committee Member), Shinko Electric Industries Co., Ltd. |

## Significant Concurrent Positions

Of Counsel, Morrison & Foerster LLP

### Reasons for nomination as candidate for Outside Director and overview of expected roles

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 an 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 hereby requests the election of Saeki as a Director serving on the Audit and Supervisory Committee (Outside Director).

Notes:

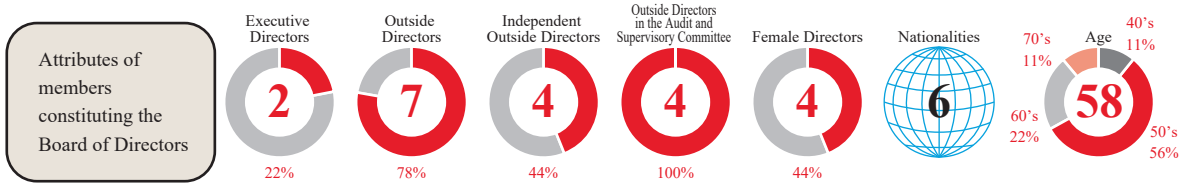
1. Company names at each time of occurrences are described within the Brief Personal Profile.
2. Currently, the Company has concluded officers' liability insurance agreements with Nami Hamada, Stacy Apter and Sanket Ray as insureds, whose insurance premiums are fully borne by the Company, and if their elections are approved, said agreements shall be renewed. In addition, if the election of Rika Saeki is approved, the Company plans to conclude the said agreement with her as an insured. The agreement will outline that, in the event of a claim for damages by a shareholder, the Company, an employee or another third party during the insurance period arising from an act done by the insureds in relation to their work as the Company's officers, such compensation for damages and legal expenses, etc. shall be compensated.
3. Currently, the Company has concluded agreements for limitation of liability with Nami Hamada, Stacy Apter and Sanket Ray, and if their elections are approved, said agreements shall remain in effect. In addition, if the election of Rika Saeki is approved, the Company plans to conclude the said agreement with her. The agreement will outline that in cases where the Directors (excluding Executive Directors, etc.) have caused damages to the Company due to non-performance of their duties and yet they are bona fide and there is no gross negligence from them in performing their duties, they shall be liable for the damages to the limit of minimum liability set forth in Article 425, Paragraph 1 of the Companies Act.
4. Nami Hamada, Stacy Apter, Sanket Ray and Rika Saeki are candidates for Outside Director.
  - (1) Shimadzu Corporation, where Nami Hamada was appointed as an Outside Director as of June 28, 2022, announced that its subsidiary Shimadzu Medical Systems Corporation had been found to have engaged in inappropriate conduct related to maintenance and inspection services for X-ray equipment installed at medical institutions with which the company does business in September 2022. In February 2023, the Company announced that it would promptly formulate and implement specific measures to prevent recurrence, based on an analysis of the causes and recommendations regarding the measures to prevent recurrence from an external investigation committee. Subsequently, in August 2023, the Company announced that the Kyushu Branch Kumamoto Office of Shimadzu Medical Systems Corporation had received a business improvement order from Kumamoto Prefecture.

Nami Hamada has fulfilled her responsibilities such as by providing regular suggestions from the standpoint of legal compliance at the Board of Directors meetings, etc. In addition, after becoming aware of these problems, she has fulfilled her responsibilities such as by providing suggestions of ensuring legal compliance and making recommendations as appropriate for efforts to prevent recurrence.
  - (2) Nami Hamada, Stacy Apter and Sanket Ray are incumbent Outside Directors of the Company. At the conclusion of this General Meeting of Shareholders, Nami Hamada has assumed the offices as Outside Directors for six (6) years, Stacy Apter and Sanket Ray has assumed the office as Outside Director for two (2) years.
  - (3) The Company has submitted a notice to Tokyo Stock Exchange, Inc., on which the Company is listed, that Nami Hamada is an "Independent Director" in accordance with the rules, etc. of the said securities exchange. If her re-election is approved, she will continue to be an Independent Director.

Furthermore, if the election of Rika Saeki is approved, the Company plans to submit a notice to Tokyo Stock Exchange, Inc. on which the Company is listed, that Rika Saeki is an "Independent Director." in accordance with the rules, etc. of said securities exchange.
5. Rika Saeki's name is shown as her maiden and professional name.

# <Reference> Skill Matrix

- If proposals No. 2 and No.3 are approved and resolved as originally proposed, the attributes, expertise and experience of the members constituting the Company's Board of Directors are as stated below. The Company believes that its Board of Directors has necessary skills as a whole.
- The Skill Matrix does not represent all the skills possessed by each candidate for director.



| Name               | Current Status and Responsibility, etc. in the Company                             | Expertise             |                       |                            |                       |                       |                         |
|--------------------|--|-----------------------|-----------------------|----------------------------|-----------------------|-----------------------|-------------------------|
|                    |  | Corporate Management  | Global Business       | Food and Beverage Industry | Finance / Audit       | Sustainability / CSV  | Legal / Risk Management |
| Calin Dragan       | Representative Director & President  | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |                       |                       |                         |
| Bjorn Ivar Ulgenes | Representative Director, Vice President, Chief Financial Officer (Head of Finance) | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      | <input type="radio"/> |                       |                         |
| Hiroko Wada        | Outside Director (Independent Officer)   | <input type="radio"/> | <input type="radio"/> |                            |                       | <input type="radio"/> |                         |
| Hirokazu Yamura    | Outside Director (Independent Officer)   | <input type="radio"/> |                       | <input type="radio"/>      |                       | <input type="radio"/> |                         |
| Celso Guiotoko     | Outside Director (Independent Officer)   |                       | <input type="radio"/> | <input type="radio"/>      | <input type="radio"/> |                       |                         |
| Nami Hamada        | Outside Director (Audit and Supervisory Committee member) (Independent Officer)    | <input type="radio"/> | <input type="radio"/> |                            | <input type="radio"/> |                       |                         |
| Stacy Apter        | Outside Director (Audit and Supervisory Committee member)                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      | <input type="radio"/> |                       | <input type="radio"/>   |
| Sanket Ray         | Outside Director (Audit and Supervisory Committee member)                          | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>      |                       |                       |                         |
| Rika Saeki         | Outside Director (Audit and Supervisory Committee member) (Independent Officer)    |                       | <input type="radio"/> |                            |                       |                       | <input type="radio"/>   |

Reference: Criteria for Directors' Skills

- The Company shall make decisions on the expertise and experiences of Directors based on the following criteria.

| Category                   | Applicable Criteria for Expertise to be Indicated by ○ in the Above Chart  |
|----------------------------|--|
| Corporate Management       | - A person who has experience as a Representative (CEO, etc.) or a Chief Operating Officer (COO, etc.).  |
| Global Business            | - A person who has knowledge in global business as a person holding a managerial position equivalent to or higher than Department Manager or a person who has similar knowledge thereto.   |
| Food and Beverage Industry | - A person who has experience holding a position equivalent to or higher than Department Manager at a company handling food and beverage or a person who has knowledge similar thereto.  |
| Finance / Audit            | - A person who has experience holding a position equivalent to or higher than Department Manager in a Finance and Accounting Department, or a person who has knowledge similar thereto.<br>- A person who has a national qualification for finance or accounting, etc., such as a certified public accountant. |
| Sustainability / CSV       | - A person who has experience holding a position equivalent to or higher than Department Manager of Sustainability or CSV Department, or a person who has knowledge similar thereto.   |
| Legal / Risk Management    | - A person who has experience holding a position equivalent to or higher than Department Manager in a Legal and Risk Management Department, or a person who has knowledge similar thereto.<br>- A person who has legal qualifications, etc., such as an Attorney at Law.                                       |

# **Business Report**

(From January 1 to December 31, 2024)

## **1. Current Status of the Coca-Cola Bottlers Japan Group**

### **(1) Business Progress and Results**

Coca-Cola Bottlers Japan Holdings Inc. (CCBJH, hereafter “the Company” or “we”) announced its full year results for the fiscal year ending December 31, 2024 (January 1, 2024, to December 31, 2024).

In this fiscal year (January 1, 2024, to December 31, 2024), the total domestic nonalcoholic ready-to-drink (NARTD) beverage market is estimated to have been flat versus the previous fiscal year. Despite the benefits of the continued increase in traffic and the heat wave, price revisions by soft drinks companies had a negative impact on demand. The business environment remained uncertain due to rising commodity and utility prices and the yen’s rapid depreciation, which affected both businesses and consumer behaviors.

Under these circumstances, we positioned 2024 as the “year of strong profit build up.” We have implemented top-line growth initiatives to maximize profits, achieved cost savings through organization-wide transformation, and further strengthened our business foundation. In commercial areas, under a profitability-focused policy, we launched new products, including the first full renewal of Ayataka in seven years, expanded sales space, and strengthened marketing based on ROI. In addition, as a key initiative to improve profitability, we have implemented price revisions for our products on two occasions, in May and October, and have made efforts to maintain shipping prices after the revisions. Furthermore, in August, we announced a change in our business related to the installation, maintenance, repair, and quality control of sales equipment to a collaborative structure based on a new partnership through a business transfer and the establishment of a joint venture, advancing important measures for commercial transformation. In manufacturing and logistics fields, we have been promoting the “local production for local consumption” model based on the concept of manufacturing products in plants close to where they are consumed, as well as working to improve the accuracy and stability of our sales and operations planning (S&OP) process to optimize our overall supply chain from end-to-end. To expand our manufacturing capacity, we introduced a new aseptic (sterile filling) production line at the Tokai Plant and improved manufacturing processes across all plants. In the logistics field, we have improved our logistics network to reduce the transportation distance per case and actively engaged in collaboration with other companies in the industry and customers to improve efficiency and respond to social issues. In back-office and IT, we have advanced the standardization and automation of business processes through NeoArc Inc., our joint venture with Accenture Japan Ltd. to achieve cost saving benefits.

We are working continuously to realize ESG targets through creating shared value with society. These targets include

enhancing water resource conservation and PET bottle recycling. We have expanded our efforts by collaborating with customers and government agencies to foster a recycling-based society, reduce environmental impact, and expand business opportunities. As part of our aluminum can recycling, Can to Can initiatives, started the sales of can products that use a higher percentage of recycled content than before and began manufacturing Georgia at certain plants using 185g lightweight aluminum beverage cans, which use 13% less material per can than previous product containers, advancing our efforts to conserve resources by reducing container weights. To strengthen our human capital, we have revamped our human resources strategy based on “Vision 2028,” redefining our human capital goals and setting priority areas and major targets to be addressed. We are accelerating our efforts to strengthen human capital by dedicating approximately 25% of executive meetings to discussing human resource strategies. In addition, for the promotion of DE&I (Diversity, Equity & Inclusion), we have been working to create a comfortable working environment for employees with diverse backgrounds and values. We have also worked to raise awareness of DE&I in society, for example, by working with our customers to promote DE&I. Our ESG efforts, including these initiatives, have been highly evaluated, and we have been selected as a component of the DJSI Asia Pacific, a leading global ESG investment index, for the seventh consecutive year.

In November, we announced a comprehensive shareholder return program to improve shareholder value as outlined in “Vision 2028.” Including a revised dividend policy that incorporates an ambitious plan to increase dividends through 2028, share buybacks of up to 30 billion yen or 20 million shares and the cancellation of 23 million treasury shares to improve shareholder value over the mid- to long-term. We have also increased the year-end dividend for the fiscal year ending December 31, 2024, by 3 yen per share compared to our initial forecast, bringing the annual dividend to 53 yen per share. In addition, as disclosed in “Announcement Shareholder Benefit Program Introduction” dated February 13, 2025, we have announced the introduction of shareholder benefit program utilizing Coke ON® drink tickets. Through these series of shareholder return initiatives, we will continue to work to improve our corporate value.

※ “Coke ON” is a registered trademark of The Coca-Cola Company Limited.

<Reference>

Business income is measure of our recurring business performance. Business income deduct cost of sales and selling, general and administrative expenses from revenue, and includes other income and expenses which we believe are recurring in nature. The corresponding figures for operating income are as follows.

|  |                   | FY2023  | FY2024  |
|--|-------------------|---------|---------|
| Revenue                                    | (Millions of yen) | 868,581 | 892,681 |
| Sales volume                               | (Million case)    | 492     | 501     |
| Gross profit                               | (Millions of yen) | 384,216 | 402,450 |
| Selling, General & Administrative Expenses | (Millions of yen) | 381,022 | 389,534 |
| Other income (recurring)                   | (Millions of yen) | 728     | 927     |
| Other expenses (recurring)                 | (Millions of yen) | 1,890   | 1,812   |
| Investment income(loss) on equity method   | (Millions of yen) | (7)     | 16      |
| Business income                            | (Millions of yen) | 2,025   | 12,046  |
| Other income (non-recurring)               | (Millions of yen) | 4,429   | 5,487   |
| Other expenses (non-recurring)             | (Millions of yen) | 3,012   | 4,143   |
| Operating income                           | (Millions of yen) | 3,441   | 13,390  |

Consolidated revenue was 892,681 million yen (an increase of 24,100 million yen or 2.8% from the previous year). Despite the negative impact of the price revisions on demand, sales volume increased by 2% from the previous year due to the successful introduction of new products, especially Ayataka, expansion of sales space, and effective marketing activities. Additionally, the series of price revisions implemented to date have resulted in a wholesale revenue per case improvement across all channels, contributing to revenue growth.

Consolidated business income was 12,046 million yen (an increase of 10,021million yen or 494.8% from the previous year). In addition to the profit contribution from top-line growth, cost savings through transformation and improved manufacturing efficiency, as well as the ability to appropriately manage increasing costs due to higher commodity, utility prices and a weaker yen, contributed to the significant improvement in profitability. Business income exceeded the initial plan by over 20% and further exceeded the upwardly revised plan in November 2024, reaching a level six times higher than the previous year.

Consolidated operating income was 13,390 million yen (an increase of 9,949 million yen or 289.1% from the previous year). This was primarily due to improved business income versus the previous year and gains from the sales and disposal of property, plant, and equipment, which increased other income (non-recurring). Other income (non-recurring) included gains of 5,429 million yen from sales and disposals of property, plant, and equipment, which was realized in the process of balance sheet optimization efforts. Other expenses (non-recurring) included 3,333 million yen in business structure improvement costs related to the implementation of fundamental transformation initiatives.

Net income attributable to owners of the parent was 7,309 million yen (an increase of 5,439 million yen or 290.7% from the previous year). This increase was due to improved operating income from the previous year.

### Sales volume trends (% change from previous year)

Sales volume for the full year grew by 2%, reflecting the contribution of new products and effective sales initiatives, despite the negative impact on demand from the price revisions implemented in October 2023 and May 2024, and October 2024. Wholesale revenue per case improved in all channels. This was due in part to an acceleration of the improvement trend during the fourth quarter (October 1, 2024 to December 31, 2024, hereafter “the fourth quarter”), as a result of the price revisions implemented in October 2024, which improved wholesale revenue per case by more than double-digit yen over the previous year in each channel.

By channel, supermarket sales volume declined by 2%, despite efforts being made to acquire sales spaces by leveraging new products, the impact of price revisions caused a decrease in large PET bottle sales volume. In drugstores and discounters, sales volume increased by 4% on the back of channel expansion driven by consumers’ focus on saving and the special demand in August. In convenience stores, the challenging competitive environment continued, but sales volume grew by 3%, supported by strengthened new product offerings, customer-exclusive products, and effective marketing initiatives tailored to each customer. In vending, the market share base we have built and initiatives to capture demand through leveraging digital means, such as effective campaigns on the Coke ON smartphone app, contributed to market share gains, but sales volume declined by 1% due to unfavorable summer weather and a decline in can and bottled can product volume caused by the price revisions. Additionally, wholesale revenue per case for vending improved by over 50 yen from the previous year with the price revisions. In retail & food service, sales volume increased by 4%, which was driven by increased visits to restaurants





and tourist spots, expanded product offerings, and new account acquisitions. Online sales volume grew by 16%, with a strengthened product lineup and collaborative measures with customers to acquire users on a scheduled delivery plan.

By beverage category, sparkling sales volume increased by 3% driven by Coca-Cola's growth in restaurants and online, along with contributions from Sprite. The tea category continued to perform well, with volume of the fully renewed Ayataka growing by more than 15%, driving the overall category growth. As a result, sales volume of the tea category grew by 11% for the fourth quarter and by 9% for the full year. Coffee sales volume decreased by 2% with price revision impacting can and bottled can product volume, despite the positive effects of new Georgia product launches. Water sales volume declined by 3%, despite the special demand lifting sales volumes, the decrease in large PET bottle sales volume due to price revisions had an impact. Sports sales volume decreased by 4%, despite the growth in convenience stores and online, large PET bottle sales declined due to price revisions. Juice sales volume increased by 7% due to growth in Minute Maid Orange in restaurants and the contribution of new Minute Maid Orange Blend Multi Vitamin.

In the alcohol category, despite efforts to strengthen sales with the introduction of new products such as Unsweetened Lemon-dou Muto Lemon with Sudachi, sales volume was impacted by the challenging competitive environment and declined by 16%.



## (2) Status of Capital Investment

Total capital investment undertaken during this consolidated fiscal year amounted to 42.4 billion yen, which was mainly undertaken for the following elements, all of which were related to the beverage business:

- a. Acquisition of vending machines, coolers, and other sales equipment
- b. Acquisition of equipment to improve manufacturing efficiency and new products correspond

## (3) Financial Activities

Not applicable.

## (4) Trend of Assets and Earnings

| Item  |          | FY2021   | FY2022   | FY2023   | FY2024   |
|---|----------|----------|----------|----------|----------|
|   |          | IFRS     | IFRS     | IFRS     | IFRS     |
| Revenue   | (MM yen) | 785,837  | 807,430  | 868,581  | 892,681  |
| Business income (loss)                                | (MM yen) | (14,662) | (14,443) | 2,025    | 12,046   |
| Operating income(loss)                                | (MM yen) | (20,971) | (11,513) | 3,441    | 13,390   |
| Net income(loss) attributable to owners of the parent | (MM yen) | (2,503)  | (8,070)  | 1,871    | 7,309    |
| Earnings(losses) per share                            | (yen)    | (13.96)  | (45.00)  | 10.43    | 40.76    |
| Total assets  | (MM yen) | 867,111  | 826,737  | 844,832  | 804,153  |
| Equity attributable to parent owners                  | (MM yen) | 492,320  | 476,216  | 469,847  | 466,203  |
| Equity attributable to parent owners per share        | (yen)    | 2,745.12 | 2,655.38 | 2,618.49 | 2,623.62 |

Notes:

1. Earnings(loss) per share is calculated based on the average number of shares issued during the year while equity attributable to parent owners per share is calculated based on the total number of shares issued as of the end of the fiscal year (excluding treasury shares).
2. We have introduced Executive reward BIP Trust and Stock-granting ESOP Trust, and the Company shares held by the trust are included in the treasury share to be deducted from the number of average shares and end of years' shares during the period for the purpose of calculating the amount of earnings(losses) per share and equity attributable to parent owners per share.

## (5) Acquisition or Disposal of Shares, Other Equity, or Stock Acquisition Rights, etc. of Other Companies

Not applicable.

## (6) Issues to be addressed

Regarding the outlook for the overall domestic NARTD beverage market, the market size in value is expected to increase in 2025 compared to 2024, driven by higher beverage prices following pricing revisions by beverage companies. However, volume is expected to decline slightly due to weaker consumer sentiment amid rising prices, the cycling of last year's record-breaking heat wave, and reduced demand due to price revisions. In addition, we expect the environment to remain challenging due to increasing cost pressures such as commodity and packaging prices, exchange rates, transportation and personnel costs.

Under these circumstances, we have positioned the fiscal year 2025 as a “year of achieving both profit growth and strengthening foundation.” We will implement top-line growth strategies and transformation initiatives to sustain our current profit growth trend while building a solid foundation for long-term, stable profitability.

In the Commercial area, we will implement top-line growth strategies centered on maximizing profits. This includes enhancing our core categories, strengthening our product portfolio by proposing optimal products according to drinking occasions, and further transform our vending channels through technology and process improvements. We will also thoroughly implement profit-oriented sales activities, such as pricing strategies that emphasize profitability, including price revisions and ROI-driven marketing initiatives. Additionally, we will strengthen customer relationships to build long-term partnerships. Regarding initiatives by channel, in the Vending channel, we continue to drive transformation by leveraging technology to implement top-line growth strategies, increase sales, and improve operational efficiency. This will involve optimizing product lineups based on profitability, improving vending machine visit routes productivity by enhancing business processes and networks, and investing in systems that support mid- to long-term profit growth. In the Over the Counter channel, we will work to expand sales floor presence by strengthening core products, offering optimal products and packaging to suit consumer drinking occasions, and developing digital marketing initiatives. We will also enhance customer engagement



to achieve sustainable growth. In the Food Service channel, we will focus on delivering value to both customers and consumers while expanding the number of our products handled by existing customers and acquiring new business in growing categories across each region. In addition, we will continue to strengthen our collaboration with Coca-Cola (Japan) Company, Limited, reinforcing this strategic partnership as a key driver of future growth.

In the areas of manufacturing and logistics, we will continue to advance our supply chain network using technology and creating of more sophisticated, data driven processes through our digital transformation. Promoting “local production for local consumption model” minimizes transport distance through manufacturing products in factories close to the place of consumption, thereby helping to mitigate transportation constraints. We will continue to increase manufacturing capacity through improved factory productivity, while building a flexible manufacturing system which is essential to a becoming demand driven and responsive supply chain. We will also work to improve the accuracy of our Sales and Operations Planning (S&OP) process. In addition, we will further strengthen our logistics network by implementing Integrated Distribution Centers (IDC) which will enable more effective inventory consolidation and deployment. Through these efforts, we will pursue total end-to-end optimization of the supply chain, aiming for stable and low-cost product supply. We will also work to improve ROIC through consolidation of sales and distribution bases, effective utilization of existing facilities, and optimization of product inventory.

In back office and IT, we will drive transformation by pursuing fundamental operational improvements, standardization, and automation of processes through available technologies. In addition, as part of our mid- to long-term strategy, we will build a new technology foundation to support sustainable growth by integrating IT systems and data across the company. Aligned with “Vision 2028,” we aim to optimize ROIC by enhancing capital efficiency through effective capital investment management and balance sheet improvements. We will also focus on advancing sustainability strategies and human capital management, ensuring long-term growth.

[Tokai Plant No. 1 line renewal]



[Further promotion of data-driven management]



# TOPICS

## Our ESG Progress

### Selected as the constituent of ESG investment indices: FTSE4Good Index Series, FTSE Blossom Japan Index, and FTSE Blossom Japan Sector Relative Index

We have been selected as the constituent of the FTSE4Good Index Series, the FTSE Blossom Japan Index (for the first time), and the FTSE Blossom Japan Sector Relative Index, which are all leading indices for environmental, social and governance (ESG) investment.

These indices, created by global index provider FTSE Russell for assessing the corporate activities in the areas of corporate governance, health and safety, anti-corruption, and climate change, are designed to measure the performance of companies demonstrating excellent ESG practices. They are widely used for creating and assessing sustainable investment funds and other financial products, and constituent companies are considered to meet a variety of environmental, social, and governance criteria.

The FTSE Blossom Japan Index and the FTSE Blossom Japan Sector Relative Index are adopted as benchmarks for passive ESG management by the Government Pension Investment Fund (GPIF). With this selection, we have been selected as a constituent of the following five ESG indices adopted by GPIF.



<https://www.ccbj-holdings.com/news/detail.php?id=1566>

### Awarded 4.5 stars in Nikkei Sustainability Comprehensive Survey on SDGs Management

The Nikkei Sustainability Comprehensive Survey on SDGs Management aims at assessing companies that are working to solve social, economic, and environmental issues through their business by linking the SDGs to their management, thereby increasing their value. This survey is designed to assess the SDGs management of the surveyed companies based on the comprehensive evaluation of their responses to the questions covering the four areas of SDG Strategy / Economic Value, Social Value, Environmental Value, and Governance.

We received an S+ rating in SDG Strategy / Economic Value and Governance.

In addition to identifying and defining 13 material issues, we have established more specific non-financial targets as our “CSV Goals” to address the identified issues, and are implementing initiatives to build our business and a society that are sustainable, while working to fulfill our corporate mission.



<https://www.ccbj-holdings.com/news/detail.php?id=1624>

**Received the highest rating of “Gold” for the fourth consecutive year in PRIDE Index 2024 and “Rainbow” certification for the third consecutive year**  
**Received the highest rating of “Best Workplace” in D&I Award 2024 for the third consecutive year**



In November 2024, for the fourth consecutive year, we received the highest rating of Gold in PRIDE Index 2024, which evaluates the initiatives of companies geared to address the needs of the LGBTQ+ community. We also won the Rainbow certification for the third consecutive year in recognition of our cross-sectoral collaboration in promoting the understanding and advocacy of LGBTQ+.

In December 2024, for the third consecutive year, we were certified as the “Best Workplace”, the highest ranking in D&I Award 2024, which is the largest award in Japan that recognizes and commends companies actively engaged in the promotion of diversity and inclusion (D&I).

We continue to be proactive in making various efforts to address diversity and gender equality as one of our key business challenges. We are determined to further promote the understanding of LGBTQ+ and the empowerment of women through enlightenment opportunities inside and outside the company in efforts to respect the individuality of each employee and continue to create innovation by actively building on diverse value and ideas.

**Strengthened initiatives for sustainable water resource conservation**

**- Hakushu Plant earns AWS Gold certification**

**- Certified as Active Water Recycling Company under the**

**“Water Recycling Company Registration and Certification System”**



The AWS Standard is an international framework for water stewardship, which is defined as the use of water that is socially and culturally equitable, environmentally sustainable and economically beneficial. The AWS Standard promotes water resource management throughout the watershed through collaboration with stakeholders in addition to water-using sites, and establishes criteria to ensure that water use and management are sustainable and performed in a responsible manner.

Hakushu Plant’s achievement to earn the Gold certification is based on a high overall evaluation of its commitment to reduce water usage in the manufacturing process and to manage water quality in accordance with the Coca-Cola Operating Requirements (KORE) (Note 1) that define the global quality standard for the Coca-Cola System, and is also attributed to its efforts to understand the water balance in the surrounding watershed, to identify future impacts and trends, and to work with stakeholders in the catchment area to improve the ways water is used in the manufacturing process.

Water Recycling Active Companies are certified by the Cabinet Secretariat’s Water Cycle Policy Headquarters to acknowledge companies’ water recycling initiatives over the past three years. The certifications in the Water Quantity & Quality Category recognize the measures that directly contribute to the water quantity and quality, while the ones in the People & Funds Category are for water recycling actions through people, funds, equipment, etc. We have been certified in both of these categories.

(Note 1) KORE

The Coca-Cola Operating Requirements (KORE) define the global quality standard for the Coca-Cola System. KORE is a system that covers the standards for quality, food safety, environment, and occupational health and safety in the processes from the procurement of raw materials, manufacturing, logistics and transportation, and sales, through to the delivery of products to its customers. It satisfies the requirements of international standards ISO and various laws and regulations, while imposing stricter standards on itself.

<https://www.ccbji.co.jp/csv/assurance/>

<https://www.ccbji.co.jp/news/detail.php?id=1629>

<https://www.ccbji.co.jp/news/detail.php?id=1612>

## Bolstered initiatives for biodiversity conservation

- Disclosed information based on the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD)

- Coca-Cola Bottlers Japan Water Source Forest Ebino registered in the world database on OECM (Note 2)



<https://www.ccbji.co.jp/news/detail.php?id=1584>

In November 2024, as our initial disclosure based on the TNFD recommendations, we disclosed our efforts to identify priority areas related to water resources and biodiversity by analyzing business risks and opportunities related to nature using TNFDv1.0 as a reference, which was released in September 2023.

We have concluded agreements with local governments and forest cooperatives in the areas surrounding all of our 17 plants, and are promoting water resource conservation activities by designating the forests that serve as water source areas for each plant as Coca-Cola Bottlers Japan Water Source Forest. Coca-Cola Bottlers Japan Water Source Forest Ebino located in the water source area for our Ebino Plant (Miyazaki Prefecture) has been certified by the Ministry of the Environment as a Nationally Certified Sustainably Managed Natural Site (Note 3) for the second half of 2023. Furthermore, 203 hectares of the Coca-Cola Bottlers Japan Water Source Forest Ebino was included in the total area of 48,000 hectares excluding overlap with protected areas that the Ministry of the Environment has registered in the world database on OECM. We will stay committed to strengthen our efforts in our business domains and strive to realize a sustainable society.

(Note 2) Stands for “Other Effective area-based Conservation Measures,” which refers to areas outside of protected areas that contribute to the conservation of biodiversity.

(Note 3) Since 2023, the Ministry of the Environment has been certifying “areas where biodiversity is being conserved through private initiatives” such as corporate forests, satochi-satoyama, and urban green spaces as “sites for coexistence with nature”.

## Developed the world’s first vending machine powered by hydrogen cartridge, ready to be unveiled at the site of Osaka-Kansai Expo 2025

Coca-Cola Bottlers Japan and Fuji Electric have developed a vending machine that uses hydrogen as its power source, which is expected to serve as a new alternative energy that could further drive the ongoing efforts to reduce CO<sub>2</sub> emissions with an aim to achieve carbon neutrality by 2050. (Note 4) As the next-generation vending machine that is unaffected by weather or location and emits no CO<sub>2</sub> while operating, one unit of this vending machine will be installed at Osaka-Kansai Expo 2025 site that is conceptualized to be the “People’s Living Lab” where advanced technologies from Japan and abroad will be brought together, offering many visitors an opportunity to experience “the vending machine of the future.”

Coca-Cola Bottlers Japan and Fuji Electric intend to continue contributing to the realization of a decarbonized society through the development of environmentally friendly vending machines.

(Note 4) Research by Fuji Electric Co., Ltd. as of October 30, 2024

(Note 5) The design is subject to change.



<https://www.ccbji.co.jp/news/detail.php?id=1599>



## Donated our products along with our messages to 12 children's cafeterias and other welfare facilities nationwide through FamilyMart Food Drive

We partnered with 24 food bank groups as part of our initiatives for communities and donate drinks on a regular basis (since 2016). The drinks donated to these food banks are distributed to children's cafeterias and various welfare facilities.

As part of the activities linked with the Food Loss Reduction Promotion Month in

October 2024, we began collaborating with FamilyMart Food Drive program, starting with the donation of 120 cases of PET bottled products (2,880 bottles including 500ml PET) that had been excessively stored in our inventory to 12 children's cafeterias, food pantries and other selected facilities operating nationwide.

Since February 2023, we have been promoting collaborative projects with FamilyMart in the area of SDGs including joint classroom events at elementary schools, holding in-house educational events to raise awareness for the understanding of LGBTQ, and programs related to PET bottle recycling. We intend to continue to promote partnership and collaboration efforts in various aspects of the SDGs.



<https://www.ccbji.co.jp/news/detail.php?id=1598>

**(7) Status of Significant Subsidiaries (As of December 31, 2024)**

| Names   | Paid-in Capital | Percentage of Voting Rights | Main Businesses   |
|---|-----------------|-----------------------------|---|
|   | Unit: MM yen    | Unit: %                     |   |
| Coca-Cola Bottlers Japan Inc.                   | 100             | 100.0                       | Manufacturing and sales of beverage and food products                     |
| FV Japan Co., Ltd.                              | 100             | 100.0                       | Sales of beverage and food products                                       |
| Coca-Cola Bottlers Japan Vending Inc.           | 80              | 100.0                       | Operation of vending machines   |
| Coca-Cola Bottlers Japan Business Services Inc. | 80              | 100.0                       | Office work related to sales of beverage and food products                |
| NeoArc Inc.                                     | 20              | 81.0                        | Back-office operations on consignment and development of computer systems |

Notes:

1. The percentage of voting rights includes the portion of indirect holdings via subsidiaries
2. The status of the Specified Wholly Owned Subsidiary of the Company is as follows as of December 31, 2024:

|   |                                  |
|---|----------------------------------|
| Name of Specified Wholly Owned Subsidiary   | Coca-Cola Bottlers Japan Inc.    |
| Address of Specified Wholly Owned Subsidiary  | 9-7-1, Akasaka, Minato-ku, Tokyo |
| Book value of shares of Specified Wholly Owned Subsidiary of the Company or Wholly Owned Subsidiary thereof | 342,561 million yen              |
| Total assets of the Company   | 449,025 million yen              |

**(8) Main Business (As of December 31, 2024)**

Our Group operates the following businesses:

**Beverage Business**

Our group manufactures and sells Coca-Cola, soft drinks, and other beverage products.

The Company has contracts with The Coca-Cola Company and Coca-Cola (Japan) Company that govern the production and sales of Coca-Cola and other products and the use of trademarks.

| Names of segments | Description  |
|-------------------|--|
| Beverage Business | Manufacturing and sales of beverage products, the vending machine-related business, the procurement of raw materials and materials, the development, maintenance, and operations of information systems. |

**(9) Major Locations, etc. (As of December 31, 2024)**

## a. Location of the Company

Headquarters: 9-7-1 Akasaka, Minato-ku, Tokyo

## b. Locations of headquarters offices of major subsidiaries:

| Names   | Locations          |
|---|--------------------|
| Coca-Cola Bottlers Japan Inc.                   | Minato-ku, Tokyo   |
| FV Japan Co., Ltd.                              | Toshima-ku, Tokyo  |
| Coca-Cola Bottlers Japan Vending Inc.           | Shinjuku-ku, Tokyo |
| Coca-Cola Bottlers Japan Business Services Inc. | Minato-ku, Tokyo   |
| NeoArc Inc.                                     | Minato-ku, Tokyo   |

## c. Major production bases

## Beverage business

Zao Plant (Miyagi), Ibaraki Plant (Ibaraki), Iwatsuki Plant (Saitama), Saitama Plant (Saitama), Tama Plant (Tokyo), Ebina Plant (Kanagawa), Hakushu Plant (Yamanashi), Tokai Plant (Aichi), Kyoto Plant (Kyoto), Akashi Plant (Hyogo), Daisen Plant (Tottori), Hiroshima Plant (Hiroshima), Komatsu Plant (Ehime), Kiyama Plant (Saga), Tosu Plant (Saga), Kumamoto Plant (Kumamoto), Ebino Plant (Miyazaki)

## d. Sales bases

## Beverage business

A variety of locations in 38 prefectures within Southern Tohoku, Kanto, Koshinetsu, Chubu, Kinki, Chugoku, Shikoku and Kyushu areas

**(10) Status of Employees (As of December 31, 2024)**

| Names of segments | Number of employees | Year-on-year change |
|-------------------|---------------------|---------------------|
| Beverage business | 14,084              | 74 increase         |

Note: The number of employees above shows the number of persons on active service activity.

**(11) Major Financial Institutions Providing Loans to the Company (As of December 31, 2024)**

| Names of institutions               | Amount of loans   |
|-------------------------------------|-------------------|
| MUFG Bank, Ltd.                     | 3,072 million yen |
| Sumitomo Mitsui Banking Corporation | 1,928 million yen |

## 2. Current Status of the Company

### (1) Status of Shares (As of December 31, 2024)

a. Total number of authorized shares: 500,000 thousand

b. Total number of issued shares: 177,695 thousand

Note: The total number of issued shares excludes the treasury shares (2,672 thousand shares), the Company shares held by Executive reward BIP Trust (1,261 thousand shares), and the Company shares held by Stock-granting ESOP Trust(1,641 thousand shares).

c. Number of shareholders: 60,160

d. Major shareholders (top 10)

| Names of shareholders                                | Number of shares held | Ratio of shareholding |
|--|-----------------------|-----------------------|
|  | (Unit: thousand)      | (Unit: %)             |
| Coca-Cola (Japan) Co., Ltd.                          | 27,956                | 15.48                 |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 20,725                | 11.48                 |
| GOLDMAN SACHS INTERNATIONAL                          | 8,548                 | 4.73                  |
| Custody Bank of Japan, Ltd. (Trust Account)          | 6,725                 | 3.72                  |
| Ichimura Foundation for New Technology               | 5,295                 | 2.93                  |
| Senshusha Co., Ltd.                                  | 4,088                 | 2.26                  |
| Coca-Cola Holdings West Japan Inc.                   | 4,075                 | 2.26                  |
| Satsuma Shuzo Co., Ltd.                              | 3,948                 | 2.19                  |
| Mitsubishi Heavy Industries Machinery Systems, Ltd.  | 3,912                 | 2.17                  |
| Toyo Seikan Group Holdings, Ltd.                     | 3,007                 | 1.66                  |

Note: The treasury shares (2,672 thousand shares) are excluded from the list above and from the calculation of ratio of shareholding because they do not have voting rights. Also, the treasury shares do not include the Company shares held by Executive reward BIP Trust(1,261 thousand shares) and Stock-granting ESOP Trust(1,641 thousand shares).

### (2) Shares issued to corporate officers as compensation for the execution of their duties during the fiscal year (as of December 31, 2024)

Not applicable.

### 3. Company's Officers

#### (1) Status of the Company's Officers

##### a. Status of Directors (As of December 31, 2024)

| Position  | Name               | Areas of responsibility and important concurrent positions   |
|---|--------------------|--|
| Representative Director                         | Calin Dragan       | President<br>Representative Director, President and CEO, Coca-Cola Bottlers Japan Inc.   |
| Representative Director                         | Bjorn Ivar Ulgenes | Vice President and Chief Financial Officer (Head of Finance)<br>Representative Director, Vice President, CFO, and Head of Finance of Coca-Cola Bottlers Japan Inc.<br>Representative Chairman and President, Coca-Cola Bottlers Japan Business Services Inc.<br>Representative Director, NeoArc Inc. |
| Director  | Hiroko Wada        | Representative, Office WaDa  |
| Director  | Hirokazu Yamura    | Representative Director & President, Michinoku Coca-Cola Bottling Co., Ltd.  |
| Director  | Celso Guiotoko     | Director, NeoArc Inc.<br>Senior Managing Executive Officer, CIO and CISO, JERA Co., Inc.   |
| Director (Audit & Supervisory Committee Member) | Hiroshi Yoshioka   |  |
| Director (Audit & Supervisory Committee Member) | Nami Hamada        | Co-Founder, Managing Director, Mile High Capital Inc.<br>Outside director (Audit committee member, nominating committee member, Compensation committee member), MetLife Insurance K.K.<br>Outside director, Shimadzu Corporation   |
| Director (Audit & Supervisory Committee Member) | Stacy Apter        | Senior Vice President and Treasurer, Head of Corporate Finance, The Coca-Cola Company<br>Synovus Financial Corp., Director   |
| Director (Audit & Supervisory Committee Member) | Sanket Ray         | President of India and Southwest Asia, The Coca-Cola Company   |

#### Notes:

- Directors Hiroko Wada, Hirokazu Yamura, and Celso Guiotoko and Directors (Audit & Supervisory Committee Members) Hiroshi Yoshioka, Nami Hamada, Stacy Apter, and Sanket Ray are Outside Directors.
- Directors Hiroko Wada, Hirokazu Yamura, and Celso Guiotoko and Directors (Audit & Supervisory Committee Members) Hiroshi Yoshioka and Nami Hamada have been notified to the Tokyo Stock Exchange on which the Company is listed, as "Independent Officers" as defined in the rules of the Tokyo Stock Exchange.
- Director (Audit & Supervisory Committee Member) Nami Hamada has accumulated a wealth of experience in finance and accounting by running her own financial consulting company and is therefore highly knowledgeable about finance and accounting.
- The organizational audits conducted through an internal control system under the lead of the Audit & Supervisory Committee, the Company does not need to appoint full-timers, and has therefore not appointed any full-time members to the Audit & Supervisory Committee.
- Effective January 6, 2025, the Company has changed the responsibilities of Directors at important concurrent positions as follows.

| Position   | Name               | Areas of responsibility and important concurrent positions   |
|--|--------------------|--|
| Representative Director                            | Bjorn Ivar Ulgenes | Vice President and Chief Financial Officer (Head of Finance)<br>Representative Director, Vice President, CFO and Head of Finance of Coca-Cola Bottlers Japan Inc.<br>Representative Chairman and President, Coca-Cola Bottlers Japan Business Services Inc.<br>Representative Director, NeoArc Inc.<br>Representative Director, onEQuest Co., Ltd. |
| Director<br>(Audit & Supervisory Committee Member) | Hiroshi Yoshioka   | Director, onEQuest Co., Ltd.   |

b. Outline of Limited Liability Agreements

In its Articles of Incorporation, the Company has established allowances concerning limited liability agreements with Directors (excluding those who are not Executive Directors, etc.) in order to ensure that Directors (excluding those who are not Executive Directors, etc.) can demonstrate the roles expected of them and the Company can invite and select competent persons as Directors (including, not limited to, Outside Directors).

The Company has entered into limited liability agreements with Directors Hiroko Wada, Hirokazu Yamura, Celso Guiotoko, Hiroshi Yoshioka, Nami Hamada, Stacy Apter and Sanket Ray to limit their liability for damages in the event that he/she fails to perform his/her duties stipulated in Article 427, Paragraph 1 of the Companies Act. The limit of liability in the Agreement shall be equal to the minimum liability limit stipulated by laws and ordinances.

c. Outline of the Directors' and Officers' Liability Insurance Policy

In order to ensure that directors (including those who are members of the Audit and Supervisory Committee) and the Group's executive officers can demonstrate the roles expected of them and the Company can select competent persons to serve as directors and executive officers, the Company has entered into a directors' and officers' liability insurance contract with an insurance company and the Company bears the entire premium.

The policy, which insures the nine members of the Board of Directors, namely Representative Directors Calin Dragan and Bjorn Ivar Ulgenes, and Directors Hiroko Wada, Hirokazu Yamura, Celso Guiotoko, Hiroshi Yoshioka, Nami Hamada, Stacy Apter, and Sanket Ray, as well as the executive officers of the Group, covers damages and legal expenses incurred by shareholders, the Company, employees, or other third parties during the insurance period in the event of claims for damages arising from the insured's conduct in the course of his or her duties as an officer of the Company.

**(2) Officer compensation, etc.**

a. Compensation policy and process for determining the policy

(a). Basic policy on compensation for Executive Directors and Executive Officers

- (i) Compensation level and structure that enable hiring and retaining high-quality talents from the perspective of diverse nationalities and experiences.
- (ii) Compensation composition ratio emphasizing performance-linked compensation, resulting in providing sufficient incentives for profitable growth.
- (iii) Introduce the system to further improve mid- to long-term corporate value and reinforce alignment of interests with the shareholders.

(b). Supervisory Officers (Directors serving on the Audit and Supervisory Committee and Outside Directors not serving on the Audit and Supervisory Committee)

The compensation level and structure that is appropriate as roles in managerial supervision and audit.

(c). Process for determining the policy

The policy for determining compensation for Officers, etc. 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.

b. Details and procedures on compensation for Executive Directors and Executive Officers

(a). Compensation structure

|                       |                     |  |  |
|-----------------------|---------------------|--|--|
| Fixed compensation    | Base salary         | <ul style="list-style-type: none"> <li>Monthly payment of an amount determined based on responsibilities.</li> </ul>   | <p>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</p> <p>Compensation limit for Directors (excluding Directors serving on the Audit and Supervisory Committee): 850 million yen per year (approved by resolution no. 5 of 2019 Annual General Meeting of Shareholders) (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee)</p> <p>* In case 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.</p> |
|                       | Retirement payments | <ul style="list-style-type: none"> <li>10% of annual base salary is retained, and the accumulated amount is calculated and paid upon their retirement.</li> <li>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 given 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.</li> </ul>   |  |
| Variable compensation | Annual bonus        | <ul style="list-style-type: none"> <li>Provided at a certain point in the year as an incentive for achieving performance targets for each fiscal year.</li> <li>The target amount is set in the range of 30% to 85% of base salary, depending on their responsibilities.</li> <li>The amount of payment varies in the range of 0% to 150% of the target amount depending on the achievement of performance targets in each fiscal year (companywide performance and individual evaluations)</li> <li>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, etc. for Directors, etc.</li> <li>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.</li> </ul> |  |



|                       |                                   |  |   |
|-----------------------|-----------------------------------|--|---|
| Variable compensation | Long-term incentives              | <ul style="list-style-type: none"> <li>● Two types of stock-based compensation systems, (1) PSU and (2) RSU, are adopted as long-term incentives.</li> <li>● The basic amount of all long-term incentives (1) PSU + (2) RSU is set in the range of 15% to 100% of base salary 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.</li> <li>● With regard to (2) RSU, additional grants for the purpose of retention, etc. may be made in addition to the above-mentioned basic RSU amount and in case for Directors, up to the compensation limit detailed on the right if deemed necessary by the Audit and Supervisory Committee (Special RSU).</li> </ul>   | <p>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</p> <p>Compensation limit for Directors (excluding Directors serving on the Audit and Supervisory Committee):<br/>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 2022 Annual General Meeting of Shareholders) (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee)</p> |
|                       | (1) PSU (Performance Share Units) | <ul style="list-style-type: none"> <li>● Granted as an incentive for achieving medium to long term performance targets.</li> <li>● 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.</li> <li>● 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.</li> <li>● To provide motivation to enhance corporate value over the mid to long term, consolidated ROE 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.</li> </ul> |   |
|                       | (2) RSU (Restricted Stock Units)  | <ul style="list-style-type: none"> <li>● Granted for the purpose of aligning interests with shareholders, creating incentives to increase corporate value, and strengthening retention of talented people.</li> <li>● A predetermined number of shares are issued at retirement.</li> <li>● 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.</li> </ul>  |   |

\* 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 Committee.

(b). Process for determining compensation

Approval of compensation including the amount of performance-linked compensation for Executive Directors shall be delegated to a Representative Director (Calin Dragan) upon resolution by the Board of Directors, and the amount shall be determined by the Representative Director in accordance with the “Policy for Determining Compensation for Directors, etc.” approved by the Board of Directors within the total amount determined by the resolution of the General Meeting of Shareholders after the terms of compensation are deliberated by the Audit and Supervisory Committee composed solely of Outside Directors in order to enhance the transparency and objectivity of procedures for determining compensation. The reason for the delegation is that the Representative Director is deemed appropriate to determine the performance results of each Director while taking into account the overall performance of the Company. In order for the Representative Director to exercise such authority appropriately, the decision on this has been made after deliberations by the Audit & Supervisory Committee. The compensation for Executive Officers shall also be determined through deliberations by the Audit and Supervisory Committee. Therefore, the Board of Directors deems that the content of these compensations is in line with the above decision-making policy.

(i) Activities of the Board of Directors

The Board of Directors’ activities concerning the determination of Officer compensation for FY2024 are as follows.

- (1) Number of meetings of the Board of Directors held over one year from January 2024 to December 2024: 6
- (2) Main subjects discussed by the Board of Directors concerning Officer compensation and Officer compensation structure in FY2024:
  - Payment of FY2023 Annual Incentive and Non-vesting of FY2021 Long term Incentive for Directors and Executive Officers
  - FY2024 Compensation for Directors (Excluding Directors Serving on Audit and Supervisory Committee) and Executive Officers
  - Report on the number of share units to be granted to the Directors and Executive Officers in FY2024

(ii) Activities of the Audit & Supervisory Committee

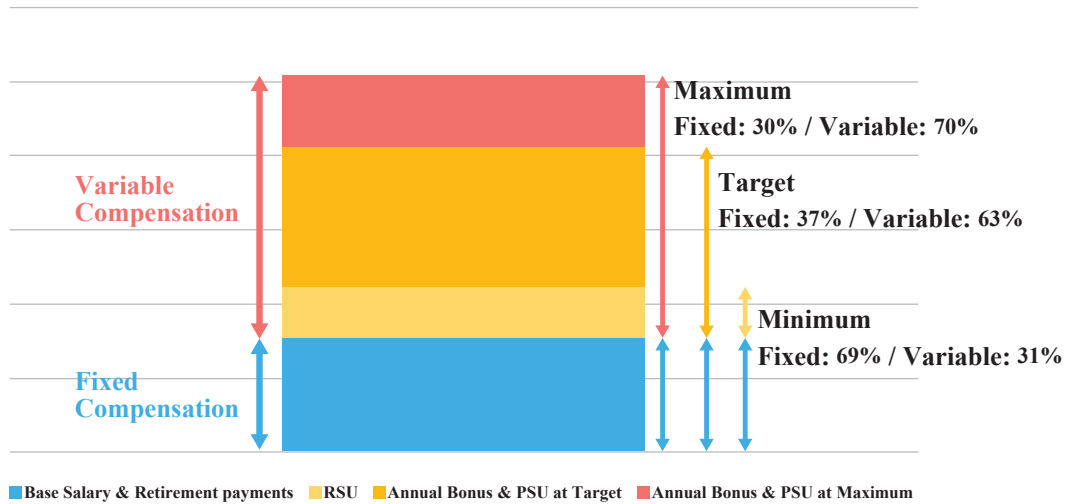
Activities of the Audit & Supervisory Committee concerning the determination of Officer compensation for FY2024 are as follows.

- (1) Number of meetings of the Audit and Supervisory Committee held over one year from January 2024 to December 2024: 5
- (2) Main subjects discussed by the Audit & Supervisory Committee concerning Officer compensation and Officer compensation structure in FY2024:
  - Payment of 2023 Annual Incentive and Non-vesting of 2021 Long term Incentive for Directors and Executive Officers
  - FY2024 Executive Compensation Proposal
  - FY2024 Compensation for Audit and Supervisory Committee Members
  - FY2024 Individual Objectives of Directors and Executive Officers

(c). Compensation level

Compensation is decided according to the responsibilities by utilizing data from compensation surveys performed by external research organizations and taking into account the level of compensation provided at companies such as domestic and overseas companies of similar scale in similar industries with the intent to provide a level of compensation that enables recruitment and retention of talented people who are highly diverse in terms of nationality, experience, etc.

Image of compensation structure (in case of Representative Director)



c. Guidelines and procedures for determining compensation for Supervisory Officers

The compensation for Supervisory Officers (Directors who are Audit & Supervisory Committee Members and Outside Directors who are not Audit & Supervisory Committee Members) is composed of basic compensation only in view of their role as supervisors and auditors of CCBJI business. Compensation levels are set according to the role of the Director by utilizing data from compensation surveys performed by external research organizations and taking into account the level of compensation provided at domestic companies of similar scale.

The individual compensation for Directors serving on the Audit and Supervisory Committee is proposed to the Audit and Supervisory Committee and determined upon consultation with Directors serving on the Audit and Supervisory Committee 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 shall be delegated to a Representative Director (Calin Dragan) upon resolution by the Board of Directors, and the amount shall be determined by the Representative Director in accordance with the “Policy for Determining Compensation for Directors, etc.” approved by the Board of Directors after the terms of compensation are deliberated by the Audit and Supervisory Committee. The reason for delegating these authorities to the President and Representative Director is that the President and Representative Director is considered to be the most appropriate person to evaluate the responsibilities of each Director. To ensure that such authority is appropriately exercised by the President and Representative Director, decisions on the details of compensation for outside directors who are not members of the Audit and Supervisory Committee are made after deliberation by the Audit and Supervisory Committee. Therefore, the Board of Directors deems that the content of these remunerations is in line with the above decision-making policy.

d. Details of compensation for Officers for FY2024

(a). Total amount of compensation, etc. by position, total amount of compensation, etc. by category and headcount of Officers

| Positions   | Total remuneration (Million yen) | Types of remuneration       |                     |                |                               | Headcount of Officers (people) |
|---|----------------------------------|-----------------------------|---------------------|----------------|-------------------------------|--------------------------------|
|   |                                  | Basic compensation (Note 3) | Retirement payments | Annual bonuses | Long-term incentives (Note 4) |                                |
| Directors (excluding Directors serving on the Audit and Supervisory Committee) (of which Outside Directors) | 1,112<br>(49)                    | 532<br>(49)                 | 24<br>(-)           | 256<br>(-)     | 300<br>(-)                    | 5<br>(3)                       |
| Directors (serving on the Audit and Supervisory Committee) (of which Outside Directors)                     | 72<br>(72)                       | 72<br>(72)                  | -<br>(-)            | -<br>(-)       | -<br>(-)                      | 4<br>(4)                       |
| Total (of which Outside Directors)  | 1,183<br>(121)                   | 604<br>(121)                | 24<br>(-)           | 256<br>(-)     | 300<br>(-)                    | 9<br>(7)                       |

Note 1: In accordance with the resolution passed at the 62nd Annual General Meeting of Shareholders held on March 26, 2020, the upper limit of compensation for Directors (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee) shall be 850 million yen per year (of which 50 million yen per year for Outside Directors (two in number at the time of the resolution)); in accordance with the resolution passed at the 58th Annual General Meeting of Shareholders held on March 23, 2016, the upper limit of compensation for Directors serving on the Audit and Supervisory Committee (five at the time of the resolution) shall be 100 million yen per year.

Note 2: Apart from Note 1 above, the amount of remuneration, etc. to be paid to directors (excluding directors who are members of the Audit and Supervisory Committee) The total amount of monetary compensation claims and cash to be delivered to executive directors as stock-based compensation (PSUs and RSUs) is determined by resolution of the 65th Company's Annual General Meeting of Shareholders held on March 28, 2023 as the amount of compensation, etc. for directors (excluding directors who are members of the Audit Committee), not exceeding 2,880 million yen and 1,800,000 shares for three fiscal years.

Note 3: Basic compensation includes an amount equivalent to fringe benefits (compensation for exchange rate fluctuation between other countries and Japan, housing allowance, etc.), etc.

Note 4: Long-term incentives include PSU and RSU.

(b). Significant employee salary received by the officer concurrently serving as an employee  
Not applicable

(c) Payment rate, etc. of incentive compensation

(i) Annual Incentive

In alignment with the mid-term management plan and the goal of achieving it, business income, sales volume and net sales are set as proper performance metrics of Annual Bonus to measure company performance of the Company in the previous years. Performance is calculated based on predetermined targets and actual achievement, weighted average achievement for FY2024. The achievement level of the company's business performance for the period under review was 127.5%. With demand increasing against the backdrop of ongoing people going out more and the extremely hot summer and other factors, the rollout of new products and effective sales measures were successful, and sales volume grew beyond initial expectations. In addition, there were contributions such as improved manufacturing efficiency during the peak demand period. The individual performance evaluation-based payout rate for Executive Directors was 110.0%. Based on the company performance, individual performance evaluation and the status of payment of bonuses to employees, the Audit and Supervisory Committee discussed and reviewed the final payout rate (rate of actual annual incentive paid against target payout) for FY2024. As a result, it determined that 124.4% is reasonable.

(ii) PSU

The PSUs for FY2022 were evaluated for the three-year period from 2022 to 2024. The consolidated ROE and consolidated sales revenue growth rate were selected as performance evaluation indicators, and performance was evaluated based on the degree of achievement of these targets, and the performance achievement, which is the weighted average of the degree of achievement of each indicator target for the relevant period, was 108.5%.

The vesting rate of PSU granted against target value fluctuates between 0 - 150% depending on achievement levels of performance targets. Based on the above-mentioned result, the payout rate of the PSU (rate of PSU's granted against target) is 116.9%.

The vesting rate of PSU granted in 2023 and 2024 are calculated based on ROE for the final fiscal year of the relevant performance period and the annual average sales growth rate for the relevant performance period. Therefore, we are making a reasonable estimate based on our earnings forecast at this time.

### (3) Outside Officers

#### a. Matters relating to Outside Officers

(a) Positions held concurrently as Directors with executive authority over operations, etc. at other corporations, etc. and Outside Officers, etc. at other corporations, etc. (As of December 31, 2024)

| Position  | Name             | Important concurrent positions  |
|---|------------------|---|
| Outside Director  | Hiroko Wada      | Representative, Office WaDa   |
| Outside Director  | Hirokazu Yamura  | Representative Director & President, Michinoku Coca-Cola Bottling Co., Ltd.   |
| Outside Director  | Celso Guiotoko   | Director, NeoArc Inc.<br>Senior Managing Executive Officer, CIO and CISO, JERA Co., Inc.  |
| Outside Director<br>(Audit & Supervisory<br>Committee Member) | Hiroshi Yoshioka |   |
| Outside Director<br>(Audit & Supervisory<br>Committee Member) | Nami Hamada      | Co-Founder, Managing Director, Mile High Capital Inc.<br>Outside director (Audit committee member, Nominating committee member, Compensation committee member), MetLife Insurance K.K.<br>Outside director, Shimadzu Corporation. |
| Outside Director<br>(Audit & Supervisory<br>Committee Member) | Stacy Apter      | Senior Vice President and Treasurer, Head of Corporate Finance,<br>The Coca-Cola Company<br>Synovus Financial Corp., Director   |
| Outside Director<br>(Audit & Supervisory<br>Committee Member) | Sanket Ray       | President of India and Southwest Asia, The Coca-Cola Company  |

Note: The Company's relationships with other corporations where the Company's Outside Officers serve concurrently as Directors with executive authority over operations, etc. are as follows:

- (1) There is no business relationship to be disclosed between the Company and Office WaDa.
- (2) The Company and our group's companies and Michinoku Coca-Cola Bottling Co., Ltd. have a trading relationship (sales, 0.5% of consolidated sales revenue of the Company and our group's companies; purchases, 3.3% of consolidated sales revenue of MICHINOKU COCA-COLA BOTTLING CO., LTD).
- (3) The Company and NeoArc Inc. have business transactions such as lending working capital to subsidiaries and receiving deposits (cash management system) from subsidiaries and interest payments (less than 200,000 yen each). Celso Guitoko is a Non-Executive Director of NeoArc Inc., and the transaction volume is minimal.
- (4) There is no business relationship to be disclosed between the Company and JERA Co., Inc.
- (5) There is no business relationship to be disclosed between the Company and Mile High Capital Inc.
- (6) There is no business relationship to be disclosed between the Company and MetLife Insurance K.K.
- (7) There is no business relationship to be disclosed between the Company and Shimadzu Corporation.
- (8) THE COCA-COLA COMPANY is an "Other Related Company" of the Company, and the Company has entered into agreements with it concerning the manufacture and sale of Coca-Cola and other products and the use of its trademarks.
- (9) There is no business relationship to be disclosed between the Company and Synovus Financial Corp.



(b) Main activities during the fiscal year under review

| Position  | Name             | Main activities  |
|---|------------------|--|
| Outside Director  | Hiroko Wada      | She attended all the 6 Board of Directors' meetings held during the fiscal year under review and provided advice as appropriate based on her considerable experience and global knowledge gained as officer at The Procter & Gamble Company and as Representative Director at Dyson Ltd. and Toys"R"Us-Japan Ltd..   |
| Outside Director  | Hirokazu Yamura  | He attended all the 6 Board of Directors' meetings held during the fiscal year under review after he assumed Director of the Company and provided advice as appropriate based on his considerable experience and knowledge gained in management and as Representative Director & President at Michinoku Coca-Cola Bottling Co., Ltd..  |
| Outside Director  | Celso Guiotoko   | He attended all the 6 Board of Directors' meetings held during the fiscal year under review and provided advice as appropriate based on his considerable experiences and global expertise gained at Nissan Motor Co., Ltd. ("Nissan"), Nishimoto Co., Ltd., and JERA Co., Inc..  |
| Outside Director<br>(Audit & Supervisory<br>Committee Member) | Hiroshi Yoshioka | He attended all the 6 Board of Directors' meetings and 5 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on his considerable experience and global knowledge gained at the Coca-Cola bottling companies as an outside director in Japan and Sony Corporation.   |
| Outside Director<br>(Audit & Supervisory<br>Committee Member) | Nami Hamada      | She attended all the 6 Board of Directors' meetings and 5 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on her considerable experiences on Finance and Accounting gained as a proprietor of her own finance consulting company and her considerable experiences and global knowledge gained as a corporate executive at Lehman Brothers Japan Inc.. |
| Outside Director<br>(Audit & Supervisory<br>Committee Member) | Stacy Apter      | She attended all the 6 Board of Directors' meetings and 5 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on her considerable experience and global knowledge on Finance and Risk Management gained as a Senior Vice President and Treasurer, Head of Corporate Finance of The Coca-Cola Company.   |
| Outside Director<br>(Audit & Supervisory<br>Committee Member) | Sanket Ray       | He attended all the 6 Board of Directors' meetings and 5 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on his considerable experience and global knowledge gained as a President of India and Southwest Asia, The Coca-Cola Company.  |

## 4. Company Structure and Policies

### (1) Accounting Auditor

#### a. Name

Ernst & Young ShinNihon LLC

#### b. Amount of Remuneration

| Categories  | Amount paid     | Remarks |
|---|-----------------|---------|
| Remuneration for services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act                  | 69 million yen  | (Notes) |
| Remuneration for services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act | – million yen   |         |
| Remuneration by the Company and/or its subsidiaries to the Accounting Auditor   | 197 million yen |         |

#### Notes:

1. The audit contract between the Company and the accounting auditor does not distinguish between remuneration paid for the audit conducted in accordance with the Companies Act and remuneration paid for the audit conducted in accordance with Financial Instruments and Exchange Act. Accordingly, the amount above is the aggregate amount.
2. The Audit and Supervisory Committee confirmed and reviewed the appropriateness and adequacy of the audit plans, audit hours, implementation status and grounds for the estimate of the remuneration as submitted by the accounting auditor before granting approval to the remuneration payable to the accounting auditor.

#### c. Policy on Decisions on Dismissal or Non-Reappointment of Accounting Auditor

In the case that it is reasonably judged that the accounting auditor falls under any of the dismissal events listed in the items of Article 340, Paragraph 1 of the Companies Act, the Audit and Supervisory Committee will remove the accounting auditor with the consent of all members. In this case, a Committee member selected by the Audit and Supervisory Committee will disclose the removal and its reason at the Meeting of Shareholders convened for the first time after the removal.

Additionally, concerning dismissal or non-reappointment of the accounting auditor, the Audit and Supervisory Committee shall decide contents of a proposed resolution they submit to the General Meeting of Shareholders, in the event they judge it necessary to do so in cases such as where the accounting auditor is recognized to have difficulty in properly fulfilling its auditing duties.

## **(2) The System to Ensure Business Adequacy**

### **a. Overview of the system to ensure business adequacy**

In order to establish the system to ensure that the jobs conducted by the Directors comply with the laws and regulations and the Articles of Incorporation, and other systems to ensure appropriateness of operation (to be referred to as “internal control” hereinafter), the Company has made a resolution on “the Internal Control System Basic Policy” at the Board of Directors Meeting.

“The Internal Control System Basic Policy” is as shown below.

### **(a) System to ensure that performance of duties by Directors and employees of the Group conforms to laws and regulations and the Articles of Incorporation**

- ① The “Code of Conduct” shall be established in order to ensure that all the Directors, Executive Officers, and employees of the Group comply with laws and regulations and the Articles of Incorporation to act in conformity with social norms. The Ethics & Compliance Committee shall be convened periodically in order to reinforce the compliance system and to prevent non-compliance.
- ② An internal whistle-blowing system against non-compliance, namely, a reporting and consultation contact separate from the reporting line to immediate managers, shall be set up.
- ③ The oversight function of the Board of Directors shall be reinforced by adopting the company system where Audit and Supervisory Committee is established in order to ensure auditing by the Audit and Supervisory Committee, which is comprised exclusively of Outside Directors.
- ④ The department in charge of internal auditing shall be established in order to audit whether business activities are conducted appropriately and effectively in conformity with laws and regulations, the Articles of Incorporation, Company Rules and Regulations, etc.
- ⑤ The Company clearly identifies the firm stance against anti-social forces and organizations that cause threats to the orders and safety of civil society and that the Company never ties with such entities. The Company shall never accede to any illegal request and deal with any such request in cooperation with the police, lawyers, etc.

### **(b) System to retain and manage information related to Directors’ performance of their duties**

- ① The Company shall record information regarding minutes of General Shareholders meetings, minutes of Board of Directors meetings, documents and other materials related to important decision-makings and Directors’ performance of their duties in documents or electronic media and retain it in accordance with the Rules of Documentation Handling and Information Security Policy in a manner similar to that for statutory documents.
- ② The Company’s Directors may inspect such documents, etc. at any time.

**(c) Regulations and other systems concerning loss risk management of the Group**

- ① In accordance with the Group policy on responding to material business risks and from the viewpoint of management of other risks, significant items shall be reported to the main meetings dealing with risk management, and the main meetings shall determine policies to deal with risks as required.
- ② The Company establishes rules, guidelines, etc. and maintains an organization to execute effective response to material risks, and ensure the matters to be passed down by implementing training for the entire Group, etc.
- ③ The department in charge of risk management in the Company or its subsidiaries is to monitor the condition of company-wide risks and to take appropriate measures on a group-wide basis. The Company promptly designates who is in charge of the response to new risks that arise.

**(d) System to ensure efficiency of performance of duties by the Group Directors**

- ① The Company's Board of Directors shall determine Group-wide management policy and goals shared by the Directors, Executive Officers, employees and others of the Group, and determine the efficient method to achieve the goals including the allocation of authority based on the group's decision-making rules.
- ② In addition to Board of Directors meetings, appropriate forums, such as the main meetings held within the operating companies, shall be organized to deliberate significant matters affecting the entire Group, thereby ensuring that decisions are reached based on considerations of multi-dimensional aspects.

**(e) System to ensure appropriateness of operations in a corporate group, which consists of the Company and its subsidiaries**

The Company shall ensure management integration of the Group through establishment of a corporate philosophy, management policy, the Code of Business Conduct & Ethics and Chart of Authority common throughout the Group and supervise and manage the performance of the subsidiaries' operations.

**(f) Matters concerning employees assisting the Audit and Supervisory Committee to execute the duties if the Audit and Supervisory Committee request the assignment of such employees, matters concerning the independence of such employees from Directors (excluding Directors serving on the Audit and Supervisory Committee) and matters related to ensuring the effectiveness of instructions given by the Audit and Supervisory Committee to such employees**

The Company shall assign employees assisting the Audit and Supervisory Committee. Such employees shall execute the duties under the instructions given by the Audit and Supervisory Committee in assisting executions of duties by the Audit and Supervisory Committee and shall not receive instructions from Directors (excluding Directors serving on the Audit and Supervisory Committee).

**(g) System for reporting by Directors and employees of the Group to the Audit and Supervisory Committee and systems to ensure that reporting parties do not receive disadvantageous treatment as a result of such reports**

- ① Upon discovery of any incident that could cause the Group substantial damage, such as acts in violation of laws and regulations, the Directors (excluding Directors serving on the Audit and Supervisory Committee), Executive Officers, employees and others of the Company shall immediately report the matter to the Audit and Supervisory Committee.
- ② The Internal Audit Department shall regularly report internal audit results and the status of other activities in the Group to the Audit and Supervisory Committee.
- ③ The department in charge of compliance shall regularly report the status of whistle-blowing in the Group to the Audit and Supervisory Committee.
- ④ The Company shall prohibit unjust treatment of the reporter to the Audit and Supervisory Committee, and ensure that this matter would be informed to all the Executive Officers and employees of the Group.

**(h) Matters concerning procedures for advance payment or reimbursement of expenses incurred in the course of performance of duties by Directors serving on the Audit and Supervisory Committee and policies related to processing expenses or liabilities arising from performance of duties by Directors serving on the Audit and Supervisory Committee**

The Company establishes enough budget for Directors serving on the Audit and Supervisory Committee each year to fulfill the performance of their duties.

**(i) Other systems to ensure that the Audit and Supervisory Committee's audit is conducted effectively**

- ① The Representative Director and the Audit and Supervisory Committee member shall hold meetings on a regular basis to exchange opinions in order to communicate with each other.
- ② The Representative Director shall prepare an environment so that the Audit and Supervisory Committee members are able to cooperate with external experts, such as lawyers and certified public accountants, in the course of its duties whenever the Audit and Supervisory Committee members deem it necessary.
- ③ The Audit and Supervisory Committee shall regularly provide opportunities for the exchange of opinions with the Internal Audit Department and accounting auditor.

**b. Overview of the operational status of the system to ensure business adequacy**

**(a) Initiative for ensuring compliance**

The Company has developed its corporate philosophy and Code of Business Conduct & Ethics for the entire Group so that all officers and employees will comply with laws and regulations and the Articles of Incorporation to act in conformity with social norms, and notifications are being ensured.

Additionally, CCBJH Group Ethics & Compliance Committee, chaired by the President, is held to work upon reinforcement of the compliance structure and prevention of occurrence of non-compliance cases.

Furthermore, Regulations for Handling Whistleblowing have been developed, and an internal whistle-blowing system is being operated by establishing Ethics & Compliance Reporting Hotline internally and at an external law office and specialized agencies to work upon early detection and improvement of non-compliance cases.

(b) Initiative on loss risk management

The Company has developed CCBJH Group Rules of Risk Management and is working upon preventing the occurrence of various risks that may arise for the Company. At the same time, the Company has formulated a response strategy implemented in the eventuality of risk materialization and developed a system to minimize damage and confusion for business by responding to the risk promptly and adequately.

Furthermore, in order to minimize damage and impact on business caused by natural disasters, etc., the Company periodically holds risk management drills, disaster response drills and safety confirmation drills, verifying the effectiveness of its business continuity plan that helps to deal with large-scale disasters.

(c) Initiative on ensuring adequacy and efficiency of the jobs conducted

The Company has established the Audit and Supervisory Committee in order to further enrich deliberation on matters with particular importance at the Board of Directors Meeting, whereas determination on conduct of other businesses is entrusted to the Directors.

Additionally, authority is delegated to Executive Officers and Heads of Functions / Departments so that decisions are made regarding business conduct based on the approval authority standard in accordance with the Group operational structure to ensure acceleration and streamlining of management decisions made by the management members.

(d) Initiative on ensuring that audit by the Audit and Supervisory Committee be conducted in an effective manner

The Audit and Supervisory Committee members audit the status of business conduct by the Directors, Executive Officers, and employees in accordance with relevant laws and regulations, the Articles of Incorporation, and the Regulations of the Audit & Supervisory Committee prepared by the Audit and Supervisory Committee by attending the Board of Directors meeting, and by referring to the audit results, etc. provided by the department in charge of internal audit and the accounting auditor.

The Audit and Supervisory Committee members periodically exchange opinions regarding such audit results with the Representative Directors.

### **(3) Basic Policies on the Control of the Stock Company**

Basic Policies on the Control of the Stock Company as follows.

#### **a. Details of Basic Policy**

The Company believes that the persons who control decisions on the Company's financial and business policies need to understand the source of the Company's corporate value to make it possible to continually, persistently ensure and enhance the Company's corporate value and, in turn, the common interests of its shareholders. The Company believes that a decision on any proposed acquisition that would involve a change of corporate control of the Company should ultimately be made based on the intent of its shareholders as a whole. In addition, the Company would not reject a large-scale acquisition of the shares in the Company if it would contribute to the corporate value of the Company and, in turn, the common interests of its shareholders.

However, there are some forms of large-scale acquisition of shares that benefit neither the corporate value of the target company nor the common interests of its shareholders: those with a purpose that would obviously harm the corporate value of the target company and, in turn, the common interests of its shareholders; those with the potential to substantially coerce shareholders into selling their shares; those that do not provide sufficient time or information for the target company's board of directors and shareholders to consider the terms of the large-scale acquisition of shares, or for the target company's board of directors to present a business plan or an alternative proposal; and those that require the target company to discuss or negotiate with the acquirer in order to procure more favorable terms for shareholders than those presented by the acquirer.

The Company believes that the persons who control decisions on the Company's financial and business policies need to be persons who fully understand the importance of (i) providing freshness and refreshment to people around the world and embedding the "Coca-Cola" brand, which is now a part of our life style, in local communities; (ii) striving aggressively to win in the market as the customers' preferred partner with a deep understanding of the Company's corporate philosophy; (iii) appreciating employees who have a strong sense of responsibility to thoroughly pursue customer satisfaction, and proactively working on building a workplace environment that can make each and every employee feel rewarded, motivated and proud of being a member of the Coca-Cola family; and (iv) contributing to local communities and proactively dealing with environmental issues with a strong sense of responsibility as a corporate citizen that continues to strive to assist in the realization of an affluent society, preserve relationships of mutual trust with customers, business partners, shareholders and employees and perform to their expectations, and make it possible to continually and persistently ensure and enhance the Company's corporate value and, in turn, the common interests of its shareholders from a mid- to long-term perspective.

Therefore, the Company believes that a person who would make a large-scale acquisition of the shares in the Company in a manner that does not contribute to the corporate value of the Company and, in turn, the common interests of its shareholders would be inappropriate to become a person who would control decisions on the Company's financial and business policies.

The Company believes that it is necessary to ensure and enhance the corporate value of the Company and, in turn, the common interests of its shareholders by taking the necessary and reasonable countermeasures against a large-scale acquisition of the shares in the Company by such a person.

b. Initiatives to realize the basic policies

(a) Summary of special initiatives that contribute to realizing the basic policies

The Group not only assumes a leading role in transforming the Coca-Cola business in Japan by deploying various joint initiatives such as product development and test marketing with The Coca-Cola Company and Coca-Cola (Japan) Company, Limited (100% funded by The Coca-Cola Company) as a business strategic partner, but also strives to become a company trusted by the stakeholders of consumers, customers, shareholders and employees.

While major growth of the soft drink industry cannot be expected as the market has already matured, the business environment surrounding is projected to become harsher as competition intensifies among soft drink companies.

Under such circumstances, the Group aims to become the preferred partner of our customers and consumers in all drinking occasions by establishing a robust and sustainable operating model, pursuing success in high-priority areas, and drastically transforming the business to ensure growth.

In addition, the Company has adopted the company system with an Audit and Supervisory Committee in order to further reinforce the governance system. The Audit and Supervisory Committee serves as the auditing body of the Company that is comprised exclusively of external directors, including multiple independent external directors. To strengthen the management oversight function, these external directors that serve as the member of the Audit and Supervisory Committee have each been granted a voting right in the Board of Directors meetings, in addition to the right to state their opinions in shareholders' meetings on matters pertaining to the designation of board members and their remuneration, among others. In order to separate the decision-making, business management and business execution functions, the Company is implementing a corporate executive officer system. In addition to the foregoing, for more fruitful deliberations of highly important matters in the Board of Directors meetings, the Company is delegating the authority to make decisions on certain important matters that require prompt business executions to specific directors as well as facilitating speedy decision making of other matters.



(b) Outline of measures to prevent inappropriate persons from controlling the finance and business policy decisions of the Company in light of the basic policy

Upon any substantial acquisition of the Company shares, the Company strives to proactively collect and timely disclose information in order to ensure and improve the corporate value of the Company and the common interest of shareholders as well as make appropriate measures as needed under the scope permitted by laws and regulations and the Articles of Incorporation.

When Board Meeting determines it necessary to reapply anti-takeover measures in order to ensure and improve the corporate value of the Company and the common interest of shareholders, taking into considerations of the future trend of the society, the Company consults with shareholders at the Meeting of Shareholders as stipulated in the Articles of Incorporation for decision of the implementation.

c. Decisions of the Company's Board of Directors regarding specific measures and reasons therefor

The measure described in the previous b. (a) was introduced as a specific measure to continuously and sustainably improve the corporate value of the Company and the common interest of shareholders and is consistent with the Company's basic policy.

In addition, the measure described in the previous b. (b) was introduced as a specific measure to ensure and improve the corporate value of the Company and the common interest of shareholders as needed under the scope permitted by laws and regulations and the Articles of Incorporation focusing on the intention of shareholders, and it is not intended to undermine the shareholders' common interests or preserve the positions of the Company officers.

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(Note: Amounts, number of shares and ratios in the business report are rounded off to the nearest unit.)

# Consolidated Statement of Financial Position

As of December 31, 2024

(Millions of yen)

| Assets  |                | Liabilities   |                 |
|---|----------------|---|-----------------|
| <b>Current assets:</b>                            | <b>292,458</b> | <b>Current liabilities:</b>                         | <b>157,943</b>  |
| Cash and cash equivalents                         | 88,473         | Trade and other payables                            | 120,367         |
| Trade and other receivables                       | 119,551        | Bonds and debts                                     | 1,000           |
| Inventories                                       | 73,890         | Lease liabilities                                   | 5,765           |
| Other financial assets                            | 688            | Other financial liabilities                         | 947             |
| Other current assets                              | 9,856          | Income taxes payable                                | 2,374           |
| <b>Non-current assets:</b>                        | <b>511,695</b> | Other current liabilities                           | 27,488          |
| Property, plant, and equipment                    | 382,794        | <b>Non-current liabilities:</b>                     | <b>179,767</b>  |
| Right-of-use assets                               | 26,930         | Bonds and debts                                     | 113,852         |
| Intangible assets                                 | 63,273         | Lease liabilities                                   | 22,047          |
| Investments accounted for using the equity method | 326            | Net defined benefit liabilities                     | 21,803          |
| Other financial assets                            | 10,908         | Provisions  | 1,506           |
| Deferred tax assets                               | 22,933         | Deferred tax liabilities                            | 16,405          |
| Other non-current assets                          | 4,531          | Other non-current liabilities                       | 4,155           |
| <b>Total assets</b>                               | <b>804,153</b> | <b>Total liabilities</b>                            | <b>337,710</b>  |
|   |                | <b>Equity</b>                                       |                 |
|   |                | Equity attributable to owners of the parent (total) | 466,203         |
|   |                | <b>Capital stock</b>                                | <b>15,232</b>   |
|   |                | <b>Capital surplus</b>                              | <b>378,459</b>  |
|   |                | <b>Retained earnings</b>                            | <b>87,317</b>   |
|   |                | <b>Treasury shares</b>                              | <b>(16,297)</b> |
|   |                | <b>Accumulated other comprehensive income</b>       | <b>1,492</b>    |
|   |                | <b>Non-controlling interests</b>                    | <b>240</b>      |
|   |                | <b>Total equity</b>                                 | <b>466,443</b>  |
|   |                | <b>Total liabilities and equity</b>                 | <b>804,153</b>  |

Note: Amounts less than one million yen are rounded.

# Consolidated Statement of Income

For the fiscal year ended December 31, 2024

(Millions of yen)

|   |                |
|---|----------------|
|   |                |
| <b>Revenue</b>  | <b>892,681</b> |
| <b>Cost of sales</b>                                      | <b>490,231</b> |
| Gross profit  | <b>402,450</b> |
| <b>Selling and general administrative expenses</b>        | 389,534        |
| <b>Other income</b>                                       | 6,414          |
| <b>Other expenses</b>                                     | 5,955          |
| <b>Investment gain on equity method</b>                   | 16             |
| Operating income  | <b>13,390</b>  |
| <b>Financial revenue</b>                                  | 337            |
| <b>Financial expense</b>                                  | 832            |
| Income for the year before income tax                     | <b>12,896</b>  |
| <b>Income tax benefit</b>                                 | 5,507          |
| <b>Net income for the year from continuing operations</b> | <b>7,389</b>   |
| <br>  |                |
| <b>Net income for the year attributable to:</b>           |                |
| <b>Net income Attributable to Owners of Parent</b>        | 7,309          |
| Non-controlling interests                                 | 79             |

Note: Amounts less than one million yen are rounded.

# Consolidated Statement of Changes in Shareholders' Equity

For the fiscal year ended December 31, 2024

(Millions of yen)

|  | Equity attributable to owners of the parent |                 |                   |                 |  |          |
|--|---|-----------------|-------------------|-----------------|--|----------|
|  | Capital stock                               | Capital surplus | Retained earnings | Treasury shares | Accumulated other comprehensive income | Total    |
| Balance as of January 1, 2024  | 15,232                                      | 451,389         | 88,365            | (85,362)        | 223                                    | 469,847  |
| Comprehensive income for the period  |   |                 |                   |                 |  |          |
| Net income for the period  | –   | –               | 7,309             | –               | –                                      | 7,309    |
| Other comprehensive income   | –   | –               | –                 | –               | 1,411                                  | 1,411    |
| Total comprehensive income for the period  | –   | –               | 7,309             | –               | 1,411                                  | 8,721    |
| Transactions with owners   |   |                 |                   |                 |  |          |
| Dividends of surplus   | –   | –               | (8,975)           | –               | –                                      | (8,975)  |
| Purchase of treasury shares  | –   | (0)             | –                 | (4,568)         | –                                      | (4,569)  |
| Disposal of treasury shares  | –   | (183)           | –                 | 472             | –                                      | 289      |
| Cancellation of treasury shares  | –   | (73,161)        | –                 | 73,161          | –                                      | –        |
| Transactions of share-based payment  | –   | 415             | –                 | –               | –                                      | 415      |
| Reclassification from accumulated other comprehensive income to retained earnings    | –   | –               | 618               | –               | (618)                                  | –        |
| Reclassification from accumulated other comprehensive income to non-financial assets | –   | –               | –                 | –               | 476                                    | 476      |
| Other  | –   | –               | –                 | –               | –                                      | –        |
| Total transactions with owners   | –   | (72,930)        | (8,357)           | 69,065          | (142)                                  | (12,365) |
| Balance as of December 31, 2024  | 15,232                                      | 378,459         | 87,317            | (16,297)        | 1,492                                  | 466,203  |

|  | Non-controlling interests | Total    |
|--|---------------------------|----------|
| Balance as of January 1, 2024  | 174                       | 470,021  |
| Comprehensive income for the period  |                           |          |
| Net income for the period  | 79                        | 7,389    |
| Other comprehensive income   | –                         | 1,411    |
| Total comprehensive income for the period  | 79                        | 8,800    |
| Transactions with owners   |                           |          |
| Dividends of surplus   | (17)                      | (8,993)  |
| Purchase of treasury shares  | –                         | (4,569)  |
| Disposal of treasury shares  | –                         | 289      |
| Cancellation of treasury shares  | –                         | –        |
| Transactions of share-based payment  | –                         | 415      |
| Reclassification from accumulated other comprehensive income to retained earnings    | –                         | –        |
| Reclassification from accumulated other comprehensive income to non-financial assets | –                         | 476      |
| Other  | 4                         | 4        |
| Total transactions with owners   | (13)                      | (12,378) |
| Balance as of December 31, 2024  | 240                       | 466,443  |

Note: Amounts less than one million yen are rounded.

# Notes to Consolidated Financial Statements

## **(Notes to significant matters as the basis for preparation of consolidated financial statements)**

### 1. Accounting standards of consolidated financial statements

The consolidated financial statements of the Company Group are prepared in accordance with International Financial Reporting Standards (IFRS) pursuant to Article 120, Paragraph 1 of the Rules of Corporate Accounting.

For the consolidated financial statements, certain disclosure items required by IFRS have been omitted pursuant to the provision of the latter part of that paragraph.

### 2. Matters on the scope of consolidation

(1) Number of consolidated subsidiaries: 12 subsidiaries

(2) Names of major consolidated subsidiaries

The names of major consolidated subsidiaries are as described in “(7) Status of Significant Subsidiaries” of “1. Current Status of the Coca-Cola Bottlers Japan Group” in the Business Report.

### 3. Matters on the application of the equity method

(1) Number of affiliates accounted for using the equity method: 1

(2) Names of affiliates accounted for using the equity method

Resources Co., Ltd.

### 4. Matters on accounting standards

(1) Measurement of financial assets

#### a. Classification and measurement of financial assets

At initial recognition, financial assets are classified as subsequently measured at amortized cost or fair value.

Financial assets measured at fair value through profit or loss are initially measured at fair value. Financial assets measured at fair value through other comprehensive income and financial assets measured at amortized cost are initially measured at fair value plus transaction costs directly attributable to the acquisition.

The Group’s classification under IFRS 9 is based on facts and circumstances, and the Group designates equity instrument as an equity instrument measured at fair value through other comprehensive income.

#### (a) Financial assets measured at amortized cost

Financial asset is classified as measured at amortized cost if both of the following conditions are met: - if the objective of our business model is to hold financial asset in order to collect contractual cash flows; and - if, by contract terms, the condition that a cash flows that is solely payment of principal and interest on the principal amount outstanding gives rise on a specified date.

(b) Financial assets measured at fair value

If any of the above two conditions are not met, the financial asset is classified as measured at fair value. For financial assets measured at fair value, the Group decided whether to make an irrevocable designation for each financial instrument, except for the equity instrument held for trading purposes that must be measured at fair value through the profit or loss, or at fair value through other comprehensive income.

For derivatives, see “c. Derivatives and hedging activities.”

Financial assets are subsequently measured as follows according to their classification.

(a) Financial assets measured at amortized cost

They are measured at amortized cost based on effective interest method and if any, impairment loss is deducted. Gains or losses arising from effective interest method or derecognition are recognized in profit or loss.

(b) Financial assets measured at fair value

They are measured at fair value as of the reporting date. Changes in fair value are recognized in profit or loss or other comprehensive income, depending on the classification of the financial asset. Dividends income arising from the equity instrument designated as measured at fair value through other comprehensive income is recognized in profit or loss. In addition, in the event the derecognition of equity instrument designated as measured at fair value through other comprehensive income, the cumulative changes in fair value recorded in accumulated other comprehensive income are reclassified to retained earnings.

b. Impairment

The Group makes expected credit loss estimates on the reporting date basis on the recoverability of financial assets measured at amortized cost. For financial instruments, whose credit risk has not increased significantly since initial recognition, an expected credit loss of 12 months is recognized as allowance for credit loss. For financial instruments, whose credit risk has increased since initial recognition, lifetime expected credit loss is recognized as allowance for credit loss. However, allowance for credit loss for trade receivables is always measured at an amount equal to the lifetime expected credit losses.

For financial assets, whose credit risk has increased significantly, if there is evidence of credit impairment, interest income is measured multiplied by effective interest rate by the net amount of carrying amount less allowance for credit loss. The indicators used by the Group in determining if objective evidence of impairment exists include the following:

- Significant financial difficulty of the issuer or the borrower.
- A breach of contract, such as a default or delinquency in the payment of interest or principal.
- Granting of concession for economic or legal reasons related to the borrower’s financial difficulty that the Group would not otherwise consider.
- Increased likelihood of bankruptcy or other financial reorganization of the borrower; or
- The disappearance of an active market for that financial asset because of financial difficulty.

If the Group does not have a reasonable expectation of collecting the entire or a portion of the financial asset, the amount is deducted directly from the carrying amount of the financial asset (write-off). If the credit risk is subsequently reduced and clearly distinguishable from events that occurred after direct write-offs (e.g., improved credit ratings of the obligor), the reversal of write-offs is recognized in profit or loss.

c. Derivative and hedge accounting

Derivative is initially recognized at the fair value of the date the derivative contract is concluded, and after initial recognition, it is remeasured at fair value on the reporting date. Recognition of gains or losses resulting from remeasurement depends on whether the derivative is designated as hedging instrument and, if specified as hedging instrument, the nature of the hedged item. The Group designates certain derivatives as hedging instruments for cash flow hedges (certain risks related to asset or liability, or highly probable forecast transaction hedges).

At the inception of the hedging relationships, the Group documents the relationships between hedging instrument and hedged item, as well as our risk management objectives and strategies for executing these hedging transactions. The Group also documents the assessment, at the hedge's inception and on an ongoing basis, of whether the derivative used in the hedge transaction is effective to offset changes in the cash flows of the hedged item.

The Group evaluates the hedge effectiveness on an ongoing basis and judges that it is effective when all of the following conditions are met "there is the economic relationship between hedged item and hedging instrument," "the impact of credit risk is not materially superior to changes in value arising from economic relationships," and "the hedge ratio of hedging relationships is the same as the ratio resulting from the volume of hedged item and hedging instrument actually being hedged."

The effective portions of changes in the fair value of derivative which is designated and qualifying as a hedging instrument for cash flow hedge are recognized in other comprehensive income. Gains or losses on the ineffective portion are recognized in profit or loss immediately.

Accumulated gains or losses recognized in other comprehensive income are reclassified to profit or loss in the period in which the cash flows arising from the hedged item affects profit or loss. However, if the forecast transaction which is a hedged item results in the recognition of a non-financial asset (e.g., inventories), the gain or loss previously recognized in other comprehensive income is reclassified into the measurement of the initial cost of the related asset. Such amounts are ultimately recognized as the cost of goods sold in the case of inventories.

Hedge accounting is discontinued prospectively if the hedge relationship no longer meets the qualifying criteria due to the extinction or sale of hedging instrument. If the hedged cash flows are expected to be incurred in the future, the accumulated gains or losses recognized in other comprehensive income will continue to be recognized as an accumulated other comprehensive income. If a forecast transaction is no longer expected to occur, the cumulative gains or losses recognized in other comprehensive income is reclassified to profit or loss.

## (2) Measurement of inventories

Inventories are measured at the lower cost and net realizable value. Discounts, rebates, other similar items and interest rates until the par value is reached are deducted from its cost. Manufacturing costs include direct materials, direct labor, and manufacturing overhead. Net realizable value is calculated at estimated selling prices less estimated selling costs and estimated selling expenses. The Group typically calculates the cost of inventories based on the weighted-average method. If the net realizable value of inventories is less than its cost, the difference is recognized as expense in the consolidated statements of profit or loss.

## (3) Measurement and depreciation or amortization of property, plant and equipment and intangible assets

### a. Property, plant, and equipment

After initial recognition, property, plant, and equipment is measured at cost less accumulated depreciation and impairment losses. Expenditures incurred to expand, improve, or improve asset productivity, allowances, or efficiencies, or to extend the useful life of an asset are included in cost of the related asset as capital expenditures, while repairs and administrative expenses are recognized as expenses when incurred.

Depreciation is principally calculated using the straight-line method over the estimated useful life for each item of property, plant and equipment as follows:

|                                   | <u>Years of estimated useful lives</u> |
|-----------------------------------|--|
| Buildings and Structures          | 2 – 60                                 |
| Machinery, Equipment and Vehicles | 3 – 20                                 |
| Vending machines                  | 2 – 11                                 |

Depreciation methods, estimated useful life, and estimated residual values are reviewed at the end of each fiscal year, and any changes are applied prospectively as a change in accounting estimate.

Gains and losses from the sale or disposal of asset are measured as the difference between carrying amount and sale value in “Other income” or “Other expense” in the consolidated statements of profit or loss.

### b. Intangible assets

Intangible assets are initially recognized at cost or manufacturing cost. Subsequent to initial recognition, intangible assets are measured at cost less accumulated amortization and impairment losses. The Group evaluates intangible asset’s useful life to determine whether it is finite or indefinite and, if it is finite, evaluates useful life based on the expected usable period.

The principal intangible asset with finite useful life is software, and amortization is calculated using the straight-line method over the estimated useful life (5-10 years).

The amortization method, estimated useful life, and estimated residual value are reviewed at the end of each fiscal year and applied prospectively as a change in accounting estimate in the event of any change.



#### Contract related intangible asset

In connection with the acquisition of the former Coca-Cola East Japan Co., Ltd., the Group's contract related intangible asset is concluded with The Coca-Cola Company. This contract relates to the exclusive rights to manufacture, distribute, and sell the Coca-Cola brand products in certain areas.

The contract is for 10 years and will be renewed without consideration of renewals or extensions.

The Group accounts for contract related intangible asset attributable to bottling contract as an intangible asset with indefinite useful life. The Group believe that it is unlikely that we will not renew or extend the contract due to our historical relationship with The Coca-Cola Company and the possible adverse impact on our franchisors from the nonrenewal of the contract. Therefore, it is difficult to predict the periods during which assets may generate net cash flows.

Contract related intangible assets are not amortized but are assessed for impairment annually and whenever events or changes in circumstances indicate a potential impairment may occur.

#### c. Leases (as a lessee)

The Group recognizes Right-of-use assets and lease liabilities at the commencement date of the lease. Right-of-use assets are measured at cost on the commencement date. After the commencement date, the Right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses using a cost model. The lease period of the right-of-use asset is estimated as the non-cancellable lease period, together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. Right-of-use assets are depreciated by using the straight-line method, generally over 15 years from the commencement date.

Lease liabilities are measured on the commencement date at the present value of the lease payments that have not been made as of that date. After the commencement date, the carrying amount of the lease liabilities are adjusted to reflect the interest rate on the lease liabilities and the lease payments made. If the lease liabilities are revised or the terms of the lease are changed, the lease liabilities will be remeasured, and the right-of-use asset will be revised.

#### (4) Criteria for recording significant provisions

Provision is measured at the present value of the best estimate of the amount that would be required to pay or transfer the obligation, taking into account probability that event occurs and its impact. The reversal of the discount by passage of time is recognized as financial expense.

(5) Employee benefits

a. Short-term employee benefits

Short-term employee benefit is recognized as expense when the related services are rendered.

b. Defined contribution plans

Contributions to the defined contribution plans are recognized as expenses in the period in which the employee renders the services.

c. Defined benefit plans

The Group's net obligation related to defined benefit plans is calculated for each plan by estimating the number of future benefits earned by employees prior to the current period, discounting the amount to the present value, and deducting the fair value of plan asset.

Defined benefit plans obligations are calculated annually by actuaries using the projected unit credit method.

Remeasurement of defined benefit obligations, consisting of the actuarial gains and losses, return on plan asset (excluding interest) and impact of asset ceiling, is recognized in other comprehensive income, and immediately reclassified from accumulated other comprehensive income to retained earnings. The Group calculates net interest expense (income) for the fiscal year by multiplying the discount rate used to measurement the defined benefit plans obligation (asset) at the beginning of the fiscal year by the defined benefit plans obligation (asset) and the plan asset at the beginning of the period.

Defined benefit plans obligations at the beginning of the fiscal year take into account all changes in defined benefit plans obligations (asset) during the fiscal year due to contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

d. Long-term employee benefits

The Group's long-term employee benefits is calculated by discounting the estimated future benefit to its present value.

The discount rate is determined based on the market yield on AA-rated corporate bonds at the reporting date, which approximates the average remaining service period.

#### (6) Recognition of revenue

Revenue is recognized for the contract with customer under IFRS 15 excluding interest and dividends income by applying the following five steps

Step 1: Identifying contract with customer

Step 2: Identifying performance obligation in contract

Step 3: Determining the transaction price

Step 4: Allocating the transaction price to performance obligation in contract

Step 5: Recognizing revenue when (or as) performance obligation is met

The Group sells soft drinks such as carbonated beverages, coffee beverages, tea-based beverages and mineral water, and alcohol. For sales of these products, revenue is recognized primarily at the time of delivery as the customer has obtained control over the products and believes that the performance obligation is satisfied.

In addition, revenue is measured at consideration promised in the contract with customer, less discounts, rebates, returns and other items. In addition, the Company has a point system for its customers, whereby points awarded for the purchase of products can be used for future purchases of the Company's products. The Company identifies points as a performance obligation and allocates the transaction price based on the earned sales price, taking into account the expected use and execution of the points, and recognizes revenue when the points are used. The transaction price allocated to the point performance obligation is recorded as "Other current liabilities" in the consolidated statement of financial position.

#### (7) Stock-based compensation

We have introduced Executive reward BIP Trust and Stock-granting ESOP Trust for its directors (excluding directors who are members of the Audit and Supervisory Committee and outside directors), executive officers, and employees for the purpose of sharing the benefits and risks of stock price fluctuations with shareholders and to increase their willingness to contribute to medium- to long-term improvement in corporate value and stock price appreciation. The Company's shares held by the trust are recognized as treasury shares. The remuneration calculated under the plans is recognized as an expense and the corresponding amount is recognized as an increase in equity.

## 5. Critical accounting estimates

In preparing the condensed quarterly consolidated financial statements in accordance with IFRS, management is required to make judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from these estimates. The estimates and the assumptions underlying the estimates are continually reviewed and are based on historical experience and other factors, including future events, which are believed to be reasonable under the circumstances. Accounting estimates are based on the most appropriate information at the time the condensed quarterly consolidated financial statements are released.

If there are changes to any future estimates, the impact of the revision is recognized in the condensed quarterly consolidated statements of income and condensed quarterly consolidated statements of comprehensive income subsequent to the reporting period in which they are revised.

Accounting judgments, estimates and assumptions that have a significant impact on the condensed quarterly consolidated financial statements will be revised based on the same concept as in the consolidated financial statements for the previous consolidated fiscal year. Information about processes and estimates that have a significant effect on the amounts recognized in the Consolidated Statement of Financial Position is presented below.

### (1) Useful lives of Property, plant and equipment, Right-of-use assets, and Intangible assets

#### a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

|                                |                     |
|--------------------------------|---------------------|
| Property, plant, and equipment | 382,794 million yen |
| Right-of-use assets            | 26,930 million yen  |
| Intangible assets              | 63,273 million yen  |

#### b. Information that contributes to an understanding of the content of accounting estimates

Property, plant, and equipment are depreciated over the estimated useful lives, which is the period over which the future economic benefits of the asset are expected. If property and equipment is obsolescent in the future or reused for other purposes, depreciation expense may increase, and the estimated useful life may be shorter. Details of useful life are provided in notes 4 (3) a. "Property, plant and equipment."

Right-of-use assets are estimated for the lease term with a non-cancellable period plus a reasonably certain period of time to exercise the option to extend or not to cancel the lease. Details of the useful life are described in note 4 (3) c. "Leases (as a lessee)".

Intangible assets are evaluated whether the useful life is definite or indefinite, based on the analyzing of all relevant factors and predictability of the period over which such intangible asset is expected to result in cash inflows. Intangible assets with definite useful life are amortized using the estimated useful life, which is the period over which the future economic benefits are expected. Amortization expense is subject to risks that may increase as a result of changes in the estimated useful life caused by external factors, such as changes in business conditions. Details of useful life are provided in notes 4 (3) b. "Intangible assets."

(2) Information that contributes to an understanding of the content of accounting estimates

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

|                                |                     |
|--------------------------------|---------------------|
| Property, plant, and equipment | 382,794 million yen |
| Right-of-use assets            | 26,930 million yen  |
| Intangible assets              | 63,273 million yen  |
| Other                          | 12,073 million yen  |

b. Information that contributes to an understanding of the content of accounting estimates

In performing impairment tests, the recoverable amount of a cash-generating unit is calculated based on its value in use. Value in use is mainly estimated by discounting the estimated cash flows to its present value. Key assumptions in estimating recoverable amounts include future cash flows, discount rates, and long-term average growth rates. Mid-term plans, which are the basis for future cash flows, are based on sales and cost plans for the relevant period. While such assumptions are based on management's best estimates and judgments, these assumptions may also be affected by changes in economic conditions that have a significant impact on future consolidated financial statements.

(3) Provision and contingent liabilities

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

|                         |                   |
|-------------------------|-------------------|
| Provision (Current)     | – million yen     |
| Provision (Non-current) | 1,506 million yen |

b. Information that contributes to an understanding of the content of accounting estimates

In the consolidated statements of financial position, the Group recognizes mainly provision on asset retirement obligations and environmental measures provision. Provision is measured based on the best estimate of the expenditures required to settle the obligation. Expenditures required to settle obligations are calculated by considering all factors affecting future results but may be affected by unforeseeable events and changes in the environment assumed. The accounting policies and reported amounts of provision are described in notes 4 (4) "Accounting standards for significant provision"

(4) Recoverability of deferred tax assets

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

|                     |                    |
|---------------------|--------------------|
| Deferred tax assets | 22,933 million yen |
|---------------------|--------------------|

b. Information that contributes to an understanding of the content of accounting estimates

At recognition of deferred tax assets, the Group estimates the timing and amount of future taxable income based on the Group's mid-term plans. Estimates of future taxable income are based on mid-term plans. The main assumptions are the sales plan and cost plan for the period. In assessing the recoverability of deferred tax assets, the Company considers the expected reversal of deferred tax liabilities, projected future taxable income, and tax planning including assets sales etc. While such assumptions are based on management's best estimates and judgments, these assumptions may also be affected by changes in economic conditions that have a significant impact on future consolidated financial statements.

(5) Measurement of defined benefit plans obligation

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

|                              |                    |
|------------------------------|--------------------|
| Retirement benefit liability | 21,803 million yen |
|------------------------------|--------------------|

b. Information that contributes to an understanding of the content of accounting estimates

The Groups adopts a variety of retirement benefit plans, including defined benefit plans. The present value and service cost of defined benefit obligations for all plans are based on actuarial projections. Actuarial projections require estimates and judgments related to variable factors such as discount rates, rates of salary increase and inflation. The Group is advised by external actuaries as to the adequacy of actuarial projections, including these variable factors. While actuarial projections are determined based on management's best estimates and judgments, they may be affected by changes in uncertain future economic conditions and the establishment and revise of related laws and regulations that could have a material effect on future consolidated financial statements.

(6) Measurement of financial instrument without quoted prices in active market

a. Amount recorded in the Consolidated Statement of Financial Position for the current fiscal year

|                                      |                    |
|--------------------------------------|--------------------|
| Other financial assets (Current)     | 688 million yen    |
| Other financial assets (Non-current) | 10,908 million yen |

b. Information that contributes to an understanding of the content of accounting estimates

The Group applies valuation techniques that use unobservable inputs in the market to evaluate the fair value of financial instruments without quoted prices in an active market. Unobservable inputs may be impacted by uncertain future changes in economic conditions that could have a material impact on future consolidated financial statements. Details related to the assessment of financial asset are provided in (Notes regarding financial instruments)

**(Notes regarding Consolidated Statement of Financial Position)**

|  |                     |
|--|---------------------|
| Accumulated depreciation of property, plant and equipment and right-of-use assets: | 437,570 million yen |
|--|---------------------|

**(Notes regarding Consolidated Statement of Income)**

Other income includes 5,501 million yen of gain on sale of property, plant and equipment. Other expenses include 1,778 million yen of loss on sales of tangible fixed assets, 3,333 million yen of transformation-related expenses.

**(Notes regarding Consolidated Statement of Changes in Shareholders' Equity)**

## 1. Matters related to the total number of issued and outstanding shares

| Type of shares | Number of shares as of January 1, 2024 | Number of increased shares for the current consolidated fiscal year | Number of decreased shares for the current consolidated fiscal year | Number of shares at the end of current consolidated fiscal year |
|----------------|--|---|---|---|
| Common stock   | 206,269 thousand shares                | –   | 23,000 thousand shares  | 183,269 thousand shares   |

Note: The number of issued and outstanding common shares decreased by 23,000 thousand due to cancellation of treasury shares as resolved by the Board of Directors.

## 2. Matters concerning dividends of surplus

## (1) Dividends paid

| Resolution   | Type of shares | Total amount of dividends (million yen) | Dividend per share amount (Yen) | Reference date    | Effective date    |
|--|----------------|---|---------------------------------|-------------------|-------------------|
| March 26, 2024<br>Ordinary general meeting of shareholders | Common shares  | 4,562                                   | 25                              | December 31, 2023 | March 28, 2024    |
| August 2, 2024<br>Board of Directors                       | Common shares  | 4,562                                   | 25                              | June 30, 2024     | September 2, 2024 |

Note: The total amount of dividends resolved at March 26, 2024 Ordinary general meeting of shareholders includes 76 million yen for the Company shares held by Executive reward BIP Trust and Stock granting ESOP Trust.

The total amount of dividends resolved at August 2, 2024 Board of Directors includes 73 million yen for the Company shares held by Executive reward BIP Trust and Stock granting ESOP Trust.

(2) Among the dividends whose reference dates belong to the current consolidated fiscal year, the dividends whose effective date come after the end of the current consolidated fiscal year.

| Resolution   | Type of shares | Total amount of dividends (million yen) | Source of dividends | Dividend per share amount (Yen) | Reference date    | Effective date |
|--|----------------|---|---------------------|---------------------------------|-------------------|----------------|
| March 26, 2025<br>Ordinary general meeting of shareholders | Common shares  | 5,057                                   | Retained earnings   | 28                              | December 31, 2024 | March 28, 2025 |

Note: The total amount of dividends includes 81 million yen for the Company shares held by Executive reward BIP Trust and Stock granting ESOP Trust.

### (Notes regarding revenue)

(1) Information disaggregating revenue arising from contracts with customers

The Group's organizational structure is based on the single beverage business segment. Discrete financial information is available for the components of the Group, and operating results are regularly reviewed by the Board of Directors (chief operating decision makers) to make decisions about the allocation of business resources. As such, the earnings recorded under the beverage business are presented as Revenue.

In the beverage business, the Group purchases, manufactures, and sells carbonated beverages such as Coca-Cola, coffee beverages, tea-based beverages, mineral water, alcohol, and other beverages in Japan. Revenue for sales of these products is recognized primarily at the time of delivery as the customer has obtained control over the products and the performance obligation is satisfied.

Payments relating to such performance obligations are received generally within two months of delivery. The contracts with customers do not include any material financial elements.

|  | (Millions of yen)   |
|--|---|
|  | Current fiscal year<br>(From January 1, 2024<br>To December 31, 2024) |
| Revenue  |   |
| Goods or services transferred at a point in time   | 892,681   |
| Other revenue arising from customers and contracts |   |
| Beverages  | 892,665   |
| Others   | 16  |
| <b>Total</b>                                       | <b>892,681</b>  |



(2) Information that forms the basis for understanding revenue from contracts with customers  
As stated in notes 4. Significant accounting policies (6) Revenue recognition.

(3) Contract balances

①Receivables (accounts and notes receivable) arising from contracts with customers are as follows.

(Millions of yen)

|   | Previous fiscal year<br>(From January 1, 2023<br>To December 31, 2023) | Current fiscal year<br>(From January 1, 2024<br>To December 31, 2024) |
|---|--|---|
| Receivables arising from contracts with customers   |  |   |
| Accounts and notes receivable                       | 79,994   | 85,715  |
| Total   | 79,994   | 85,715  |
| Contract liabilities<br>(Other current liabilities) | 1,135  | 1,424   |

Note: Contract liabilities based on a point system for its customers. When we assume that customer will use the points, we recognize as performance obligation and record in contract liabilities, whereby points awarded for the purchase of products can be used for future purchases of the Company's products. The amount of revenue recognized in the current fiscal year that was included in the contract liabilities at the beginning of the period was 1,135 million yen. The amount of revenue recognized from performance obligations in prior periods was not material in the current fiscal year.

②Transaction price allocated to the remaining performance obligation

Information regarding the remaining performance obligation is omitted as there are no significant transactions in which the estimated individual contract periods exceed one year in the Group.

## (Notes regarding financial instruments)

1. Matters concerning the situation of financial instruments

(1) Financial risk management

The Groups are exposed to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Group faces a variety of financial risks (credit risk, liquidity risk and market risk (equity price risk, interest rate risk, currency risk and commodity price risk) in the course of conducting business and manages risks in accordance with certain policies to avoid and mitigate these financial risks. The Group's risk management policies are formulated after identifying and analyzing the risks faced by the Group with the aim of appropriately identifying risks and controls and monitoring risks and complying with controls. Risk management policies and systems are reviewed periodically to reflect market conditions and the Group's business activities. The Group conducts training and develops manuals and procedures to maintain a control environment in which all employees understand their roles and disciplines.

Based on our risk management policies, the group utilizes derivative transactions to hedge certain risk exposures. The Group's policy is to utilize derivative transactions to hedge foreign currency exchange and commodity price risks and not to engage in speculative transactions. Our finance division identifies, evaluates, and hedges financial risk.

#### a. Credit risk

Credit risk is the risk that one party to the financial instrument will be unable to fulfil its obligations and another party will incur financial losses. In the course of our business, the Group is exposed to counterparty credit risk with respect to trade and other receivables and other financial assets (including deposits, securities, and other receivables). The carrying amount after impairment for financial assets presented in the consolidated financial statements is the maximum exposure of the Group of financial assets to credit risk, without taking into account of any collateral held. In addition, the Group has no significant credit risk exposure to any particular counterparty and has no excessive concentration of credit risk with specific managements.

In order to manage credit risk, the Group manages payment due dates and outstanding for each customer in accordance with our internal customer control regulations and monitors the credit standing of our major customer on a regular basis. In order to mitigate the credit risk of derivative transactions, in principle, transactions are limited to financial institutions with high credit ratings.

In addition, the Group calculates allowance for credit loss by classifying receivables based on credit risk characteristics. For trade and lease receivables, the Group always measures allowance for credit loss at the same amount as lifetime expected credit losses. Receivables other than trade and lease receivables, in principle, are measured the allowance for credit loss at the same amount as the 12-month expected credit losses. However, if credit risk increases significantly from the initial recognition date, the Group recognizes the allowance for credit losses at the same amount as the lifetime expected credit losses. The Group determines whether or not the credit risk has increased significantly based on fluctuations in the risk of default, and consideration of the passage of time and deterioration in the financial condition of the obligor. All receivables other than trade receivables for which the Group measures the allowance for credit loss at the same amount as the 12-month expected credit losses are measured on a collective basis.

The amount of expected credit losses related to trade receivables is calculated based on simplified approaches by classifying receivables according to the credit risk characteristics of the counterparty and multiplying by the provision rate reflected historical credit loss rate calculated for each category and forecasts of future economic conditions. The amount of expected credit losses related to receivables other than trade receivables whose credit risk has not increased significantly is calculated based on the principle approach by multiplying by provision rate reflected the historical rate of credit loss of the same type of asset by its carrying amount.

The amount of expected credit losses related to asset whose credit risk has been increased significantly and credit-impaired financial asset is calculated as the difference between the present value of estimated future cash flows discounted by the asset's initial effective interest rate and carrying amount.

#### b. Liquidity risk

Liquidity risk is the risk that the Group will be unable to pay its obligations on the due date for repayment in the financial liabilities when such obligations become due. The Group manages to secure sufficient funds to meet payment due dates under any circumstances that do not affect the Group's conditions of loss or reputation. Our financial division manages our liquidity risk by maintaining adequate levels of net income and cash balances within our line of credit with banks and by comparing and analyzing actual cash flows and forecast cash flows.

### c. Market risk

Market risk is the risk of fluctuations in interest rates, stock prices and other market prices that may affect the value of the Group's revenue and value of securities held by the Group. While optimizing profits, the Group manages market risk exposures to acceptable levels.

#### (a) Interest rate risk

Loans payable and bonds are fixed interest rates. Accordingly, the impact of changes in interest rates on profit or loss is limited and the Group believes that our interest rate risk is insignificant and has not performed sensitivity analyses such as basis point values.

#### (b) Stock price risk

The Group is exposed to the risk of fluctuations in stock prices because the Group holds a large number of securities with quoted market prices. Securities with quoted market prices are held for purposes other than trading and are designated primarily as financial assets measured at fair value through the other comprehensive income.

#### (c) Currency risk

The Coca-Cola Bottlers Japan Co., Ltd., a consolidated subsidiary, purchases raw materials denominated in foreign currencies and is therefore exposed to currency risk, mainly in U.S. dollars. Currency risk arises from forecast transactions, such as future purchases, or from assets and liabilities that are already recognized. The Group utilizes foreign currency forward contracts to hedge its currency risk. Hedge accounting is applied to transactions that meet the criteria for hedge accounting. Receivables and payables denominated in foreign currencies are exposed to the risk of exchange rate fluctuations, but the impact of this risk is limited as it is offset by forward exchange contracts.

#### (d) Commodity price risk

The Coca-Cola Bottlers Japan Co., Ltd., a consolidated subsidiary, purchases raw materials that are subject to fluctuations in prices due to weather and natural disasters. As a result, the Group is exposed to the commodity price risk of raw materials. The Group enters into commodity swap contracts to hedge the risk of fluctuations in the prices of these raw materials.

## 2. Classification by level of the fair value hierarchy

### (1) Classification by level of the fair value hierarchy

Financial instruments measured at fair value on a recurring basis after initial recognition are classified into three levels of the fair value hierarchy, depending on the observability and significance of the inputs used in the measurement. The fair value hierarchy is defined as follows:

Level 1: Fair value (unadjusted) in the active market of the same asset or liability

Level 2: Fair value based on inputs other than quoted prices included in Level 1, either directly observable inputs or indirectly, of observable inputs for asset or liability

Level 3: Fair value based on unobservable inputs for asset or liability

When more than one input is used to measure the fair value, the level of the fair value hierarchy is determined based on the lowest level of input that is significant to the fair value measurement as a whole. Transfers between levels of the fair value hierarchy are recognized as having occurred at the beginning of each fiscal year. There was no transfer between Level 1 and Level 2.

## (2) Fair value measurement

Securities are classified as Level 1 of the fair value hierarchy by the measurement of share prices, if any, in an active market for the same asset or liability. If there is no active market share price for the same asset or liability, the Group uses valuation techniques such as share prices in non-active markets, and quoted market prices of similar companies. If significant inputs, such as quoted market prices and discount rates used in measurement are observable, such financial instruments are classified as Level 2, but are classified as Level 3 if inputs used in its measurement include significant unobservable inputs.

Unlisted securities are classified into Level 3 of the fair value hierarchy using valuation techniques based on quoted market prices of similar companies, valuation techniques based on net asset value, and other valuation techniques. In the fair value measurement of unlisted securities, the Group uses unobservable inputs such as valuation multiples and considers certain illiquidity discounts and non-controlling interest discounts as needed. The measurement methods for such fair value are determined by the Finance division in accordance with the Group's accounting policies. The valuation techniques and significant unobservable inputs used in Level 3 fair value measurement are as follows:

| Type  | Valuation technique             | Significant unobservable inputs                 | Interactions between significant unobservable inputs and fair value measurement  |
|---|---------------------------------|---|--|
| Financial instrument measured at fair value through other comprehensive income (Securities) | Comparison of similar companies | EBIT Multiple: 10.7 times<br>PBR: 1.0—2.3 times | Estimated fair value increases (decreases) when equity indices of comparable listed companies of the target are high (low) |

EBIT Multiple: Corporate Value/EBIT

PBR: Price Book Value Ratio

(3) Financial instrument measured fair value on a recurring basis

The breakdown of financial instrument measured at fair value on a recurring basis is as follows

(Millions of yen)

|   | Level 1      | Level 2    | Level 3      | Total        |
|---|--------------|------------|--------------|--------------|
| <b>Financial assets</b>   |              |            |              |              |
| Financial instrument measured at fair value through profit or loss:             |              |            |              |              |
| Derivative assets   | –            | 690        | –            | 690          |
| Subtotal  | –            | 690        | –            | 690          |
| Financial instrument measured at fair value through other comprehensive income: |              |            |              |              |
| Securities  | 4,275        | –          | 2,136        | 6,411        |
| Other   | –            | –          | 96           | 96           |
| Subtotal  | 4,275        | –          | 2,231        | 6,507        |
| <b>Total</b>  | <b>4,275</b> | <b>690</b> | <b>2,231</b> | <b>7,197</b> |
| <b>Financial liabilities</b>  |              |            |              |              |
| Financial instrument measured at fair value through profit or loss:             |              |            |              |              |
| Derivative liabilities  | –            | 947        | –            | 947          |
| <b>Total</b>  | <b>–</b>     | <b>947</b> | <b>–</b>     | <b>947</b>   |

A reconciliation of the beginning and ending balances of financial instrument classified as Level 3 is as follows:

(Millions of yen)

|  | Financial assets measured at fair value through other comprehensive income |
|--|--|
| Balance on January 1, 2024                     | 3,013  |
| Purchase                                       | –  |
| Disposals                                      | (720)  |
| Gains recognized in other comprehensive income | (63)   |
| Other  | 1  |
| Balance on December 31, 2024                   | 2,231  |

(4) Financial instrument measured at amortized cost

The amount recorded on consolidated statement of financial position as of December 31, 2024 fair values and the difference between these amounts are as follows.

(Millions of yen)

|  | Amount recorded on consolidated statement of financial position | Fair values    | Difference in amount |
|--|---|----------------|----------------------|
| <b>Long-term loans payable and bonds</b> | <b>114,852</b>  | <b>112,240</b> | <b>2,612</b>         |

(Note) Long-term loans payable and bonds include the current portion. Cash and cash equivalents, trade and other receivables, trade and other payables are not included in the above table as their fair value approximates their carrying amount due to the short collection and settlement period. The main valuation techniques used to measure fair value of the financial instrument in the table above are as follows:

Loan payable

Loans payable with variable interest rates are calculated using the carrying amount as its fair value because interest rates are considered to reflect market interest rates in the short term. Loans payable with fixed interest rates are calculated based on the present value of future cash flows discounted using interest rates adjusted for the remaining term and credit risk. Loans payable with fixed interest rates are classified into Level 2 of the fair value hierarchy.

Bonds payable

For bonds with quoted market prices, the fair value is estimated based on quoted market prices. For bonds without quoted market prices, the fair value is calculated based on the present value of future cash flows discounted using interest rates adjusted for the remaining term and credit risk. Bonds with quoted market prices are classified into Level 1 of the fair value hierarchy and bonds without quoted market prices are classified into Level 2.

**(Earning per share information)**

|   |              |
|---|--------------|
| Equity attributable to owners of the parent per share | 2,623.62 yen |
| Earnings per share                                    | 40.76 yen    |
| Diluted earnings per share                            | 40.48 yen    |

Note: We have introduced Executive reward BIP Trust and Stock-granting ESOP Trust. The Company shares held by these trusts are included in the treasury shares to be deducted from the average number of shares during the period for calculating the amount of equity attributable to owners of the parent per share and earnings per share. The average number of treasury shares deducted was 23,389 thousand shares for current fiscal year.

**(Subsequent events)**

Not applicable.

# Non-consolidated Balance Sheet

As of December 31, 2024

(Millions of yen)

| Assets  |                | Liabilities                                   |                 |
|---|----------------|---|-----------------|
| <b>Current assets:</b>                                    | <b>49,064</b>  | <b>Current liabilities:</b>                   | <b>11,408</b>   |
| Cash and deposits   | 7,388          | Other accounts payable                        | 367             |
| Accrued income receivable                                 | 10             | Accrued expenses payable                      | 3               |
| Prepaid expenses  | 53             | Money entrusted                               | 9,255           |
| Short-term loan receivable of subsidiaries and affiliates | 41,613         | Allowance for bonuses                         | 16              |
|   |                | Allowance for bonuses to directors            | 233             |
|   |                | Allowance for performance-based compensation  | 140             |
|   |                | Income tax payable etc.                       | 994             |
|   |                | Other current liabilities                     | 399             |
| <b>Fixed assets:</b>                                      | <b>399,961</b> | <b>Long-term liabilities:</b>                 | <b>111,866</b>  |
| <b>Property, plant, and equipment:</b>                    | <b>56,886</b>  | Bonds payable                                 | 110,000         |
| Buildings   | 9,952          | Allowance for retirement benefit              | 2               |
| Structures  | 638            | Assets retirement obligation                  | 658             |
| Tools, instruments, and fixtures                          | 4              | Provision for performance-linked compensation | 1,033           |
| Land  | 46,292         | Other long-term liabilities                   | 173             |
| <b>Intangible assets:</b>                                 | <b>27</b>      | <b>Total liabilities</b>                      | <b>123,274</b>  |
| Leasehold right   | 27             |   |                 |
| <b>Investments and other assets:</b>                      | <b>343,048</b> | <b>Net assets</b>                             |                 |
| Investment securities of subsidiaries and affiliates      | 342,561        | <b>Shareholders' equity:</b>                  | <b>325,751</b>  |
| Deferred tax assets                                       | 70             | <b>Capital stock</b>                          | <b>15,232</b>   |
| Other assets  | 417            | <b>Additional paid-in capital</b>             | <b>188,443</b>  |
|   |                | Capital reserve                               | 108,167         |
|   |                | Other additional paid-in capital              | 80,276          |
|   |                | <b>Retained earnings:</b>                     | <b>133,445</b>  |
|   |                | Legal reserve                                 | 3,317           |
|   |                | Other retained earnings:                      | 130,128         |
|   |                | Reserve for advanced depreciation             | 674             |
|   |                | General reserve                               | 110,388         |
|   |                | Retained earnings to be carried forward       | 19,067          |
|   |                | <b>Treasury shares</b>                        | <b>(11,369)</b> |
| <b>Total assets</b>                                       | <b>449,025</b> | <b>Total net assets</b>                       | <b>325,751</b>  |
|   |                | <b>Total liabilities and net assets</b>       | <b>449,025</b>  |

Note: Amounts less than one million yen are rounded.

## Non-consolidated Statement of Income

For the fiscal year ended December 31, 2024

(Millions of yen)

|                                   |       |              |
|-----------------------------------|-------|--------------|
|                                   |       |              |
| <b>Net operating revenues</b>     |       | <b>5,773</b> |
| <b>Operating expenses</b>         |       | <b>4,249</b> |
| <b>Operating income</b>           |       | <b>1,524</b> |
| <b>Non-operating income:</b>      |       |              |
| Interest and dividend received    | 33    |              |
| Compensation for expropriation    | 66    |              |
| Other non-operating income        | 11    | <b>110</b>   |
| <b>Non-operating expenses:</b>    |       |              |
| Interest expenses                 | 284   |              |
| Other expenses                    | 18    | <b>302</b>   |
| <b>Recurring income</b>           |       | <b>1,332</b> |
| <b>Extraordinary profit:</b>      |       |              |
| Gain on sale of fixed assets      | 2,568 | <b>2,568</b> |
| <b>Extraordinary losses:</b>      |       |              |
| Impairment loss                   | 203   | <b>203</b>   |
| <b>Income before income taxes</b> |       | <b>3,697</b> |
| Income taxes                      | 1,409 |              |
| Income taxes deferred             | (91)  |              |
| <b>Net income</b>                 |       | <b>2,379</b> |

Note: Amounts less than one million yen are rounded.



# Non-consolidated Statement of Changes in Shareholders' Equity

For the fiscal year ended December 31, 2024

(Millions of yen)

|   | Shareholders' equity |                            |                                  |                                  |                   |                                  |                         |                 |                            | Total net assets |
|---|----------------------|----------------------------|----------------------------------|----------------------------------|-------------------|----------------------------------|-------------------------|-----------------|----------------------------|------------------|
|   | Capital stock        | Additional paid-in capital |                                  |                                  | Retained earnings |                                  |                         | Treasury shares | Total shareholders' equity |                  |
|   |                      | Capital reserve            | Other additional paid-in capital | Total additional paid-in capital | Legal reserve     | Other retained earnings (Note 1) | Total retained earnings |                 |                            |                  |
| Balance as of Jan. 1, 2024  | 15,232               | 108,167                    | 153,438                          | 261,604                          | 3,317             | 136,873                          | 140,190                 | (80,182)        | 336,844                    | 336,844          |
| Changes during this term  |                      |                            |                                  |                                  |                   |                                  |                         |                 |                            |                  |
| Dividends of surplus  | –                    | –                          | –                                | –                                | –                 | (9,124)                          | (9,124)                 | –               | (9,124)                    | (9,124)          |
| Income  | –                    | –                          | –                                | –                                | –                 | 2,379                            | 2,379                   | –               | 2,379                      | 2,379            |
| Withdrawal of reserves  | –                    | –                          | –                                | –                                | –                 | –                                | –                       | –               | –                          | –                |
| Acquisition of treasury shares  | –                    | –                          | –                                | –                                | –                 | –                                | –                       | (4,568)         | (4,568)                    | (4,568)          |
| Disposal of treasury shares   | –                    | –                          | (0)                              | (0)                              | –                 | –                                | –                       | 220             | 220                        | 220              |
| Cancellation of treasury shares   | –                    | –                          | (73,161)                         | (73,161)                         | –                 | –                                | –                       | 73,161          | –                          | –                |
| (Net) Changes in items other than shareholders' equity during this term | –                    | –                          | –                                | –                                | –                 | –                                | –                       | –               | –                          | –                |
| Total changes during this term  | –                    | –                          | (73,162)                         | (73,162)                         | –                 | (6,745)                          | (6,745)                 | 68,813          | (11,093)                   | (11,093)         |
| Balance as of Dec. 31, 2024   | 15,232               | 108,167                    | 80,276                           | 188,443                          | 3,317             | 130,128                          | 133,445                 | (11,369)        | 325,751                    | 325,751          |

Note 1: Breakdown of other retained earnings (Millions of yen)

|   | Other retained earnings           |                 |   |                               |
|---|-----------------------------------|-----------------|---|-------------------------------|
|   | Reserve for advanced depreciation | General reserve | Retained earnings to be carried forward | Total other retained earnings |
| Balance as of Jan. 1, 2024  | 674                               | 110,388         | 25,811                                  | 136,873                       |
| Changes during this term  |                                   |                 |   |                               |
| Dividends of surplus  | –                                 | –               | (9,124)                                 | (9,124)                       |
| Income  | –                                 | –               | 2,379                                   | 2,379                         |
| Withdrawal of reserves  | (1)                               | –               | 1                                       | –                             |
| Acquisition of treasury shares  | –                                 | –               | –                                       | –                             |
| Disposal of treasury shares   | –                                 | –               | –                                       | –                             |
| Cancellation of treasury shares   | –                                 | –               | –                                       | –                             |
| (Net) Changes in items other than shareholders' equity during this term | –                                 | –               | –                                       | –                             |
| Total changes during this term  | (1)                               | –               | (6,744)                                 | (6,745)                       |
| Balance as of Dec. 31, 2024   | 674                               | 110,388         | 19,067                                  | 130,128                       |

Note 2: Amounts less than one million yen are rounded.

## Notes to Non-Consolidated Financial Statements

### (Notes on matters concerning significant accounting policies)

#### 1. Accounting policy for measuring securities

##### (1) Bonds held to maturity

These are measured at amortized cost (straight-line method).

##### (2) Investment securities of subsidiaries and associates

These are measured at cost determined mainly by the moving-average method

##### (3) Other securities

With market value:

These are measured by the market value method based on market prices as of the end of the fiscal year (valuation differences are all included in net assets, and the sold cost of securities is determined by the moving-average method).

Without market value:

These are measured at cost determined principally by the moving-average method.

#### 2. Depreciation method used for fixed assets

##### (1) Tangible fixed assets

Depreciation is calculated by the straight-line method. The main useful life is as follows:

|           |            |
|-----------|------------|
| Buildings | 2-50 years |
|-----------|------------|

##### (2) Intangible fixed assets

Amortization is calculated by the straight-line method.

#### 3. Basis for recording provision

##### (1) Allowance for bonuses

Bonus provision is recognized at the estimated amount to be paid as of the fiscal year, in order to prepare for the payment of bonuses to employees.

##### (2) Allowance for officers' bonuses

Provision of directors' bonuses is recognized as the estimated amount to be paid as of the fiscal year, in order to prepare for the payment of bonuses to directors and corporate auditors.

##### (3) Allowance for performance-linked compensation

Performance-linked compensation provision is recognized the estimate amount to be paid as of the fiscal year, in order to prepare for the payment of shares and cash to executive directors and executive officers.

(4) Allowance for retirement benefit

In order to prepare for the payment of retirement benefit, the company records an estimate payment amount as of the end of year. Actuarial gains and losses are amortized from the following fiscal year by the straight-line method over a fixed number of years within the average remaining service period of employees.

4. Accounting standards for income and expenses

The Company's operating revenue consists of real estate rents and dividends income from subsidiaries. The main performance obligation in real estate rents is the provision of goods or services to subsidiaries. Since the performance obligation is satisfied when control of these promised goods or services is transferred to the customer, revenue is recognized when the performance obligation is satisfied. Dividends income is recognized as of the effective date of dividends.

5. Other important matters that form the basis for the preparation of financial statements

Not applicable.

**(Notes to the Non-Consolidated Balance Sheet)**

- |  |                    |
|--|--------------------|
| 1. Amount of accumulated depreciation of tangible fixed assets   | 63,884 million yen |
| 2. Monetary receivables from or payables to subsidiaries and affiliates (excluding the items stated separately in the Balance Sheet) |                    |
| Short-term monetary receivables  | 10 million yen     |
| Short-term monetary payables   | 9,312 million yen  |

**(Notes to Non-Consolidated Statement of Income)**

|  |                   |
|--|-------------------|
| Transaction amount with affiliated company |                   |
| Net revenues                               | 5,773 million yen |
| Others (operating transactions)            | 213 million yen   |
| Others (non-operating transactions)        | 33 million yen    |

**(Notes to Non-Consolidated Statement of Changes in Shareholders' Equity)**

Matters concerning class and total number of treasury shares

| Type of shares | Shares as of January 1, 2024 | Increase in shares for fiscal year 2024 | Decrease in shares for fiscal year 2024 | Shares as of December 31, 2024 |
|----------------|------------------------------|---|---|--------------------------------|
| Common shares  | 26,834thousand shares        | 1,888 thousand shares                   | 23,148 thousand shares                  | 5,574thousand shares           |

1. The increase of 1,888 thousand shares in the common shares of treasury shares is due to the purchase of 1,884 thousand shares based on a resolution of the Board of Directors and the purchase of 4 thousand shares constituting less than one unit.
2. The decrease of 23,148 thousand shares in the common shares of treasury shares are due to the cancellation of 23,000 thousand treasury shares based on a resolution of the Board of Directors, delivery of ESOP Trusts 148 thousand shares and additional purchase of 0 thousand shares constituting less than one unit.
3. Common shares at the end of fiscal year included 1,261 thousand shares of BIP Trusts and 1,641 shares of ESOP Trusts.

**(Notes on deferred tax accounting)****Breakdown of deferred tax assets and deferred tax liabilities by main cause**

|                                   |                     |
|-----------------------------------|---------------------|
| Deferred tax assets               |                     |
| Depreciation                      | 1,650 million yen   |
| Impairment loss                   | 234 million yen     |
| Other                             | 891 million yen     |
| Sub-total of deferred tax assets  | 2,774 million yen   |
| Allowance for evaluation losses   | (726) million yen   |
| Total deferred tax assets         | 2,048 million yen   |
| Deferred tax liabilities          |                     |
| Reserve for advanced depreciation | (902) million yen   |
| Valuation difference on land      | (1,036) million yen |
| Other                             | (40) million yen    |
| Total deferred tax liabilities    | (1,978) million yen |
| Net deferred tax assets           | 70 million yen      |

**(Notes on transactions with related parties)**

Subsidiaries, etc.

| Type       | Name of company               | Address          | Capital or investment amount (million yen) | Line of business                                    | Ownership of voting rights (%) | Relationship             |                       | Description of transaction | Transaction amount (million yen) | Accounting item                              | Year-end balance (million yen) |
|------------|-------------------------------|------------------|--|---|--------------------------------|--------------------------|-----------------------|----------------------------|----------------------------------|--|--------------------------------|
|            |                               |                  |  |   |                                | Interlocking directorate | Business relationship |                            |                                  |  |                                |
| Subsidiary | Coca-Cola Bottlers Japan Inc. | Minato-ku, Tokyo | 100  | Manufacture and sales of beverage and food products | Owned 100.0                    | concurrent post 2        | Lending of funds      | Lending of funds           | 5,773                            | Receivables from subsidiaries and affiliates | 33,853                         |
|            |                               |                  |  |   |                                |                          | Net revenues          | Net revenues               |                                  | Operating accrued income receivable          | –                              |

(Notes)

1. The transaction amount does not include consumption tax. Year-end balance includes consumption tax, etc.
2. Transaction terms and conditions and the policy for deciding on these terms and conditions

Terms and conditions for the transaction with Coca-Cola Bottlers Japan Inc.

With regard to the lending of funds, the interest rate on loans is determined in consideration of market interest rates. In addition, the Company has adopted a cash management system for the purpose of improving the group's funds efficiency. Also, transaction amounts are stated in net value.

Regarding net revenues, it is accompanied by real estate leasing and is determined based on certain rational standards.

| Type       | Name of company                       | Address          | Capital or investment amount (million yen) | Line of business                         | Ownership of voting rights (%) | Relationship             |                       | Description of transaction | Transaction amount (million yen) | Accounting item                              | Year-end balance (million yen) |
|------------|---------------------------------------|------------------|--|--|--------------------------------|--------------------------|-----------------------|----------------------------|----------------------------------|--|--------------------------------|
|            |                                       |                  |  |  |                                | Interlocking directorate | Business relationship |                            |                                  |  |                                |
| Subsidiary | Coca-Cola Bottlers Japan Vending Inc. | Minato-ku, Tokyo | 80   | Operational business of vending machines | Owned 100.0                    | –                        | Lending of funds      | Lending of funds           | –                                | Receivables from subsidiaries and affiliates | 6,069                          |

(Notes)

1. The transaction amount does not include consumption tax. Year-end balance includes consumption tax, etc.
2. Transaction terms and conditions and the policy for deciding on these terms and conditions

Terms and conditions for the transaction with Coca-Cola Bottlers Japan Vending Inc.

With regard to the lending of funds, the interest rate on loans is determined in consideration of market interest rates. In addition, the Company has adopted a cash management system for the purpose of improving the group's funds efficiency.

**(Notes on impairment loss)**

In the fiscal year under review, the Company recorded an impairment loss on the following asset groups.

| Region  | Use        | Number of locations | Type          | Impairment loss (million yen) |
|---------|------------|---------------------|---------------|-------------------------------|
| Kinki   | Idle asset | 2                   | Buildings     | 0                             |
|         |            |                     | Constructions | 0                             |
|         |            |                     | Land          | 63                            |
| Chugoku | Idle asset | 2                   | Buildings     | 14                            |
|         |            |                     | Constructions | 1                             |
|         |            |                     | Land          | 112                           |
| Kyusyu  | Idle asset | 1                   | Land          | 14                            |

The Company has divided assets for business use into groups by business unit that generates cash continuously based on management accounting system. As for rental property and idle assets, each individual property is recognized as the smallest grouping unit in order to detect and judge any sign of impairment.

For the current fiscal year, of the idle assets of which market value, etc. decreased, the book values of certain pieces of buildings and structures in the target locations are reduced to their recoverable amounts, and the amount of reduction is recognized as impairment loss.

The recoverable amounts of idle assets are calculated based on the valuation by real estate appraiser, etc.

**(Notes on per share information)**

Net assets per share 1,833.21 yen

Income per share 13.27 yen

Note: We have introduced Executive reward BIP Trust and Stock-granting ESOP Trust. The Company shares held by these trusts are included in the treasury shares to be deducted from the average number of shares during the period for calculating the amount of net assets per share and income per share. The average number of treasury shares deducted was 23,389 thousand shares for current fiscal year.

**(Revenue Recognition Related)**

Information that forms the basis of understanding revenue arising from contracts with customers is as stated in “(Significant accounting policies) 4. Accounting standards for income and expenses.”

**(Significant subsequent events)**

Not applicable.

# Independent Auditor's Report

## Independent Auditor's Report

February 17, 2025

The Board of Directors

Coca-Cola Bottlers Japan Holdings, Inc.

Ernst & Young ShinNihon LLC  
Tokyo Office

Makoto Matsumura (Seal)  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Keita Tsujimoto (Seal)  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Keisuke Kishi (Seal)  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

### **Opinion**

We have audited the consolidated financial statements, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of Coca-Cola Bottlers Japan Holdings, Inc. for the fiscal year from January 1, 2024 to December 31, 2024 in accordance with Article 444, Paragraph 4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and the results of operations of Coca-Cola Bottlers Japan Holdings, Inc. and its consolidated subsidiaries for the period, for which the consolidated financial statements were prepared, in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under Designated International Financial Reporting Standards.

### **Basis for the Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### **Other Description**

The other description consists of the business report and the supplementary schedules. Management is responsible for preparing and disclosing the other description. The Audit & Supervisory Committee is responsible for monitoring the execution of the duties of the Directors related to designing and operating the reporting process of the other description.

Our audit opinion on the consolidated financial statements does not include any other description and we express no opinion on such other description.

In auditing the consolidated financial statements, we are responsible for reading through the other description, and in the process of reading it through, reviewing whether there are any material discrepancies between the other description and the consolidated financial statements or the knowledge that we gained during our auditing process, and paying attention to any signs of material misstatement in other description in addition to such material discrepancies.

When we judge that there is any material misstatement in other description based on the tasks that we performed, we are required to report such fact.

We have found no matters to report with regard to the other description.

### **Responsibilities of Management and the Audit & Supervisory Committee for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under Designated International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under Designated International Financial Reporting Standards.

The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under Designated International Financial Reporting Standards, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Plan and perform an audit of the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries which forms the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for directing, supervising, and reviewing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and if any measures have been taken to remove disincentives and any safeguards that are applied to reduce disincentives to an acceptable level.

### **Other Matter**

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

### **Notes to the Reader of Independent Auditor's Report:**

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act.



# Independent Auditor's Report

## Independent Auditor's Report

February 17, 2025

The Board of Directors

Coca-Cola Bottlers Japan Holdings, Inc.

Ernst & Young ShinNihon LLC  
Tokyo Office

Makoto Matsumura (Seal)  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Keita Tsujimoto (Seal)  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Keisuke Kishi (Seal)  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

### **Opinion**

We have audited the financial statements, comprising the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules of Coca-Cola Bottlers Japan Holdings, Inc. for the fiscal year from January 1, 2024 to December 31, 2024 in accordance with Article 436, Paragraph 2-(i) of the Companies Act.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of Coca-Cola Bottlers Japan Holdings, Inc. for the period, for which the financial statements and the supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

### **Basis for the Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### **Other Description**

The other description consists of the business report and the supplementary schedules. Management is responsible for preparing and disclosing the other description. The Audit & Supervisory Committee is responsible for monitoring the execution of the duties of the Directors related to designing and operating the reporting process of the other description.

Our audit opinion on the financial statements and the accompanying supplementary schedules does not include the other description and we express no opinion on the other description.

In auditing the financial statements and the accompanying supplementary schedules, we are responsible for reading through the other description, and in the process of reading it through, reviewing whether there are any material discrepancies between the other description and the financial statements and the accompanying supplementary schedules or the knowledge that we gained during our auditing process, and paying attention to any signs of material misstatement in other description in addition to such material discrepancies.

When we judge that there is any material misstatement in other description based on the tasks that we performed, we are required to report such fact.

We have found no matters to report with regard to the other description.

### **Responsibilities of Management and the Audit & Supervisory Committee for the Financial Statements and the Accompanying Supplementary Schedules**

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules**

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.
- To express an opinion on the financial statements and the accompanying supplementary schedules, obtain sufficient and appropriate audit evidence relating to the financial information on components, which is included in the financial statements and the accompanying supplementary schedules. The auditor is responsible for giving instructions on, monitoring, and performing audits relating to the financial information on components. The auditor is solely responsible for audit opinions.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and if any measures have been taken to remove disincentives and any safeguards that are applied to reduce disincentives to an acceptable level.

### **Other Matter**

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

### **Notes to the Reader of Independent Auditor's Report:**

The Independent Auditor's Report herein is the English translation of the Independent Auditor's Report as required by the Companies Act.

# Audit Report

## Audit Report

We, as the Audit & Supervisory Committee (“A&S Committee”) conducted audits relating to the execution of duties by directors during FY 2024 business year from January 1, 2024 to December 31,2024, and hereby report the method of audits and results as follows.

### 1. Method of audits and the details

A&S Committee received regular reports from directors and employees on the content of resolutions of the board of directors regarding matters prescribed in Paragraph 1 (i) (b) and (c) of Article 399-13 of the Companies Act and the status of building and operation of the internal control system which had been developed based on the board resolutions, requested further explanations as needed, explained its opinions and conducted audits as below:

① A&S Committee members participated in important meetings in accordance with the audit policy specified by the Committee in cooperation with the company’s internal control department. A&S Committee received reports relating to the execution of duties by directors from directors and employees, requested further explanations as needed, and examined the process and details of decision-making at important meetings, etc. as well as the status of business and assets.

A&S Committee also received reports on the status of subsidiaries’ business as needed by communicating and exchanging information with directors, auditors, etc. of the subsidiaries.

② A&S Committee examined the basic policies (specified according to Article 118 (iii)(a) of the Companies Act) and the special efforts (specified according to Article 118 (iii)(b) of the Companies Act) described in the business reports in light of the status of deliberations at the board of directors and other meetings.

③ A&S Committee members conducted audits to ensure that accounting auditors kept independence and conducted appropriate accounting audits, while receiving reports on the execution of duties by them and requesting further explanations as needed. In addition, A&S Committee received notification by accounting auditors that they were developing a “structure to secure appropriate execution of duties by directors” in accordance with the “quality control standards relating to audits”, etc., and requested further explanations as needed.

Based on the above outlined method, we examined the business reports and their detailed statements, the financial statements and their detailed statements, as well as the consolidated financial statements relating to the business year in question.

## 2. Audit Results

### (1) Result of Audit of Business Reports, etc.

- ① We acknowledge that the business reports and detailed statements correctly indicate the company's situation in accordance with laws and regulations and the Articles of Incorporation.
- ② We acknowledge that there is no misconduct relating to the director's execution of duties or any significant facts that violate laws and regulations or the Articles of Incorporation.
- ③ We acknowledge that the details of resolutions of the board of directors relating to the internal control system are appropriate. Furthermore, we acknowledge that there is no point of concern to be indicated regarding the details stated in business reports relating to internal control systems and the execution of duties by the director. We also received reports from directors and ERNST & YOUNG SHIN NIHON LLC that they acknowledged the internal control relating to financial reporting was valid as of preparation of this Audit Report.
- ④ We acknowledge that there is no point of concern to be indicated regarding the basic policies relating to control of the company described in the business reports. We acknowledge that the special effort described in the business reports (specified according to Article 118 (iii) (b) of the Companies Act) is consistent with the basic policies, does not harm the common interests of shareholders of the company, and is not intended to maintain the position of officers of the company.

### (2) Results of Audit of Financial Statements and Detailed Statements

We acknowledge that the method and results of the audit by ERNST & YOUNG SHIN NIHON LLC are appropriate.

### (3) Results of Audit of Consolidated Financial Statements

We acknowledge that the method and results of the audit by ERNST & YOUNG SHIN NIHON LLC are appropriate.

February 17, 2025

Audit & Supervisory Committee, Coca-Cola Bottlers Japan Holdings Inc.

Audit & Supervisory Committee Member Hiroshi Yoshioka

Audit & Supervisory Committee Member Nami Hamada

Audit & Supervisory Committee Member Stacy Apter

Audit & Supervisory Committee Member Sanket Ray

(Note) Audit & Supervisory Committee Member Hiroshi Yoshioka, Audit & Supervisory Committee Member Nami Hamada, Audit & Supervisory Committee Member Stacy Apter and Audit & Supervisory Committee Member Sanket Ray are External Auditors provided for in Article 2-15 and Article 331-6 of the Companies Act.

**We bottle happy moments.**

*Coca-Cola*

**BOTTLERS JAPAN HOLDINGS INC.**