

Coca-Cola

BOTTLERS JAPAN HOLDINGS INC.

CSV REPORT 2020





New Corporate Philosophy **Paint it RED!**

Our Mission, Vision, and Values state our commitment to continue being the preferred partner of our many stakeholders, especially our customers, shareholders and the communities in which we operate. These statements represent the kind of organization we wish to become and focus on growing sustainably, learning—both as individuals and as an organization—and demonstrating the value of integrity and trust.

Mission

Deliver happy moments to everyone while creating value

Vision

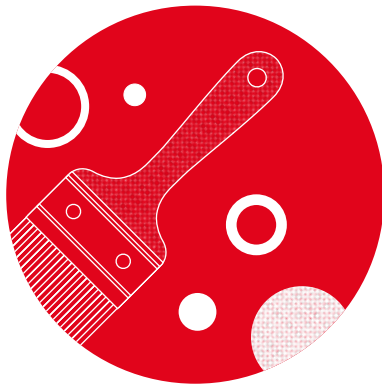
- *We are the preferred partner for our customers*
- *We win in the market through sustainable growth*
- *We lead a learning culture with commitment to grow*
- *We are the best place to work with pride for Coca-Cola*

Values

- *Learning*
- *Agility*
- *Result-orientation*
- *Integrity*

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SECTION
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Editorial policy

The Coca-Cola Bottlers Japan Holdings Group (CCBJH Group) believes we can help build a more sustainable society through our beverage business and our healthcare and skincare business. In this report, our aim is to communicate the CCBJH Group philosophy of Creating Shared Value (CSV) and introduce some of our specific CSV initiatives to our stakeholders.

● Referenced guidelines

Global Reporting Initiative (GRI)
Sustainability Reporting Standards 2016

● Period covered

This report covers activities from January 2019 to the end of December 2019.
Numerical data is also for the period from January 2019 to the end of December 2019.

● Scope of the report

Information presented in this report was collected from Coca-Cola Bottlers Japan Holdings Inc., Coca-Cola Bottlers Japan Inc., the Coca-Cola Bottlers Japan Group companies*1, Q'SAI CO., LTD., and the Q'SAI Group companies*2. (Please see page 47 for the Group structure.)

● Date of issue

June 2020

● Terminology

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

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

*2 QSAI Analysis and Research Center Co., Ltd., QSAI FARM SHIMANE Co., Ltd., and CQ Ventures Co., Ltd.

Business as usual will not result in creating new value. It takes a persistently adventurous spirit to reach a better future.

Renewing our Mission, Vision, and Values to guide greater growth

Creating shared value (CSV) is at the core of business management for the Coca-Cola Bottlers Japan Holdings Group (CCBJH Group), and the CCBJH Group actively promotes environmental, social, and governance (ESG) initiatives to create shared value with society.

If we look at the beverage industry over the past few years, we can see how the market has been impacted by various shifts, such as the diversification of consumer needs and intensifying competition. In this environment, we have continued to integrate and restructure our business and have created new economic and social value.

We cannot continue to rely on how we have done things in the past if we want to achieve greater growth in the future. Building off our mid-term business plan, we have put that resolution into action by renewing our Mission, Vision, and Values with a new corporate philosophy that is summed up by “Paint it RED! Let’s Repaint our Future.” Red—both our corporate color and symbolic of passion—represents our strong determination to create value.

We will achieve our Mission of

“Delivering happy moments to everyone while creating value” by continually learning and growing, and strive to be the preferred partner of our many stakeholders, especially our customers and shareholders. The new Mission, Vision, and Values communicate our strong determination and act as a guide to achieving sustainable growth and continuing to create value.

Creating a positive cycle of sustainable growth for value creation

It is vital that we collaborate and engage with all our stakeholders to achieve sustainable growth through value creation. We will move forward with our environmental conservation and regional revitalization initiatives in collaboration with the local communities with whom we have cultivated a wealth of connections over many years. Furthermore, we will increase our involvement in solving social issues related to packaging, as part of realizing a World Without Waste. We will also strengthen initiatives concerning water, which is crucial to our business, by addressing both the responsible use of water and water resource conservation. By investing in our local communities in this way,

we will not only increase corporate value, but also set in motion a sustainable cycle of creating shared value with society.

Addressing key social issues as a member of the Coca-Cola system

In 2015, the Sustainable Development Goals (SDGs) were adopted by the United Nations as an international framework to guide global actions toward the realization of a sustainable society. This led to greater scrutiny of our corporate initiatives from various perspectives and became the impetus for the Coca-Cola system in Japan to identify material issues (materiality) for our sustainability initiatives. Taking into account a number of SDG topics, we narrowed our focus to three broad platforms: Inclusion, Communities, and Resources. Within these categories, we established the materiality of nine priority issues. With that in place, the CCBJH Group plans to address each material issue, while further developing business activities grounded in our communities. We are wholly dedicated to enacting positive change and creating social value that meets the expectations of our stakeholders.

Creating shared value with society is the right way to grow

The year 2020 began tumultuously with the unprecedented threat of COVID-19. The resulting situation includes the postponement of the Tokyo 2020 Olympic and Paralympic Games, and not only have other sporting and entertainment events been affected, but the global economy and the very structure of society have also been disrupted. Whatever we face, we must keep moving forward and continue growing. While monitoring the situation and responding appropriately, we will fulfill our mission to deliver beverages to our consumers. We are determined to address social issues through our business activities and fulfill our responsibility to work together to create a better future. Building upon our renewed Mission, Vision, and Values and the individual integrity of our employees, we will continue to create new, shared value and further earn the trust and support of our stakeholders.

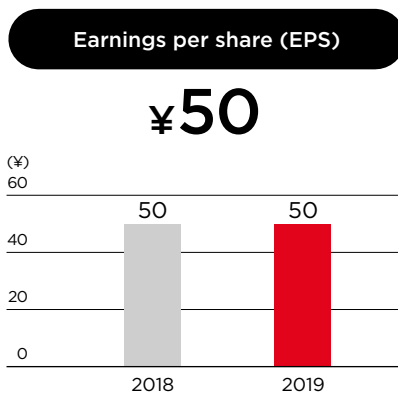
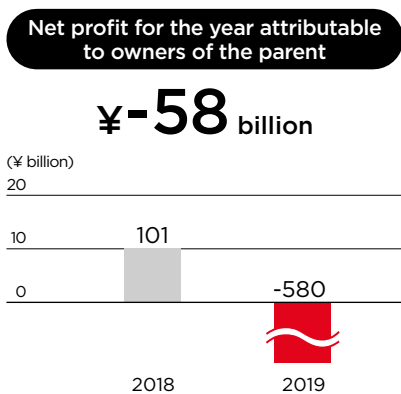
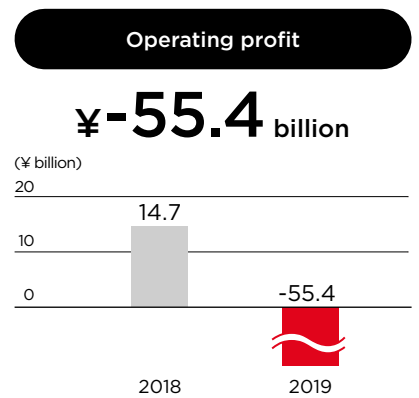
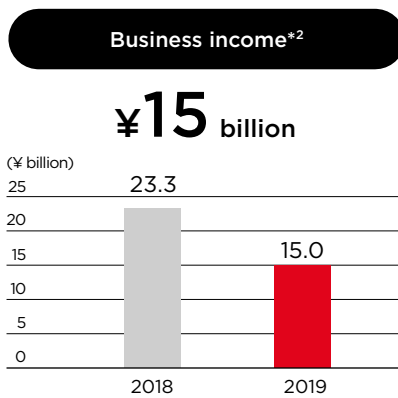
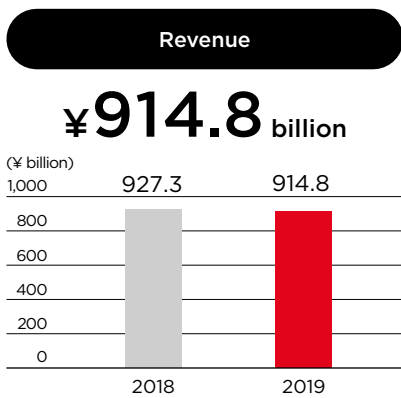
Calin Dragan
Representative Director and President
Coca-Cola Bottlers Japan Inc.



Beverage Business Overview



2019 Financial Highlights (consolidated; IFRS)



*2 Business income is a measure of recurring business performance calculated by deducting the cost of goods and SG&A from revenue, and accounting for other recurring income and expenses.



*1 Includes Hiroshima Plant, which began production in June 2020

Segment information

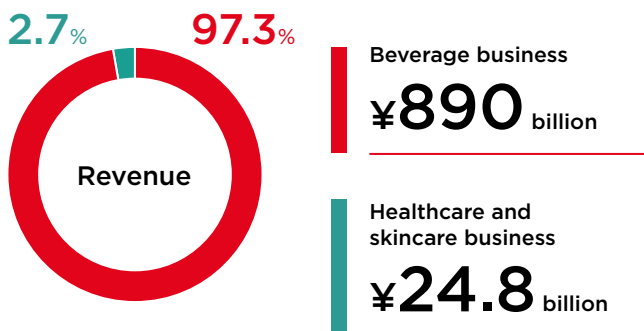
Beverage business

We sell beverages at supermarkets, drug and discount stores, convenience stores, in vending machines, and via retail and food service establishments.

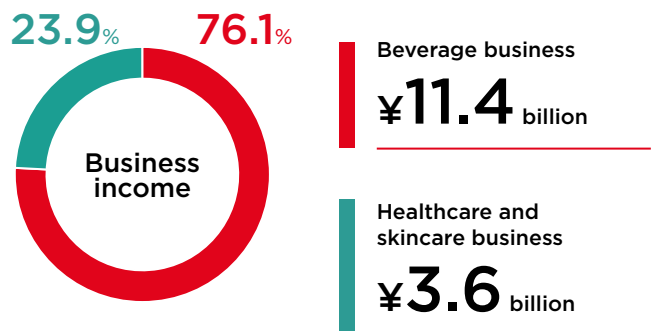
Healthcare and skincare business

We sell healthcare and skincare products primarily via online orders. This business is led by wholly owned subsidiary Q'SAI Co., Ltd.

Revenue



Business income



Beverage Business Products

The CCBJH Group delivers happy moments through its wide line-up of products by offering multiple categories, flavors, and package sizes to support our consumers' lifestyles and health needs.

Number of brands
More than
50

Number of products
More than
800

SPARKLING SOFT DRINKS



TEA DRINKS



JUICE AND JUICE DRINKS



COFFEE DRINKS



Georgia
Since **1975**
Japan's first canned
coffee beverage

WATER AND FLAVORED WATERS

**I LOHAS Natural
Mineral Water**
Since **2020**
100% recycled
PET bottle and
label-free bottle



SPORTS DRINKS



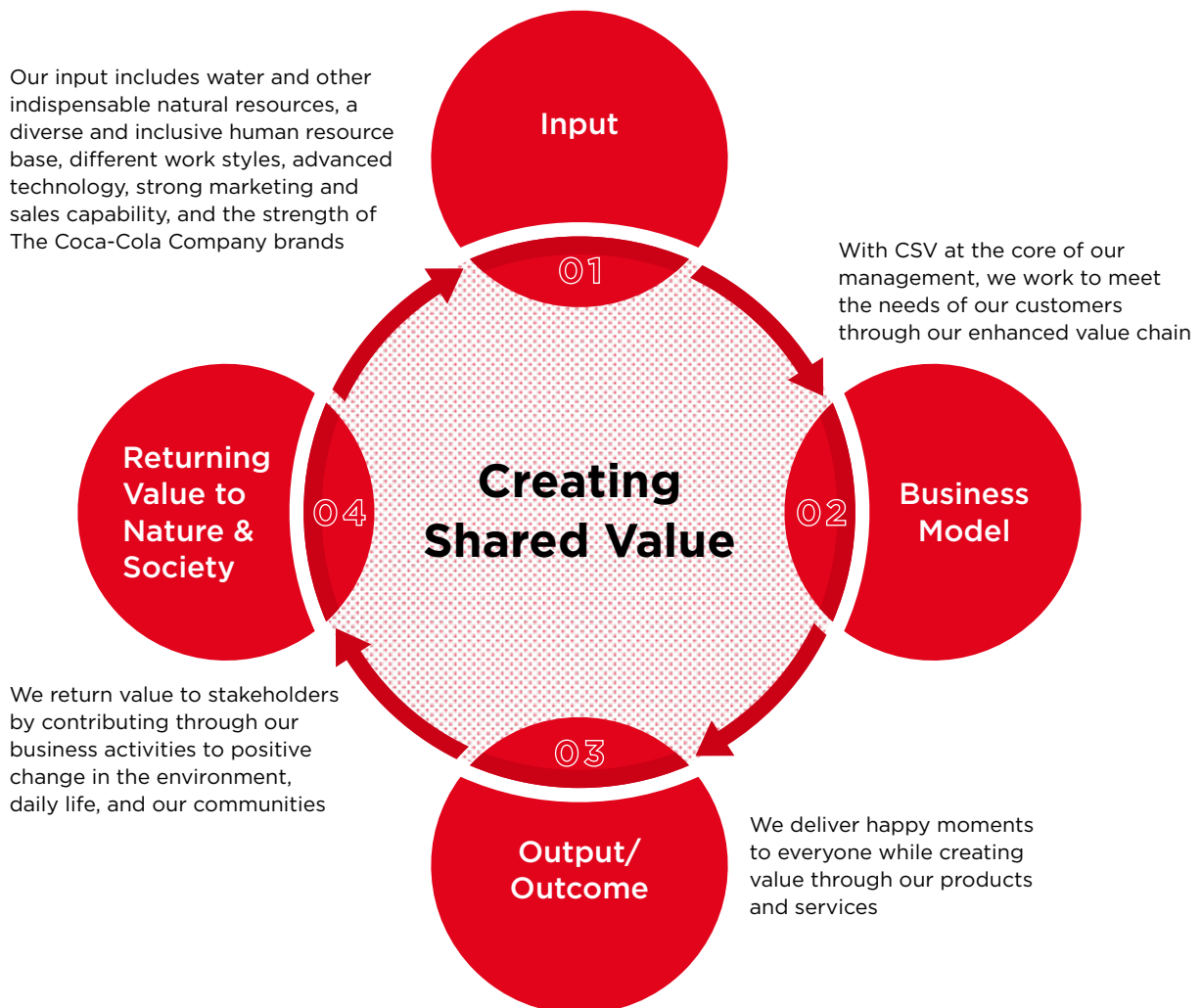
OTHERS



Toward Realizing Our Mission of Achieving Sustainable Growth

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

CSV Model



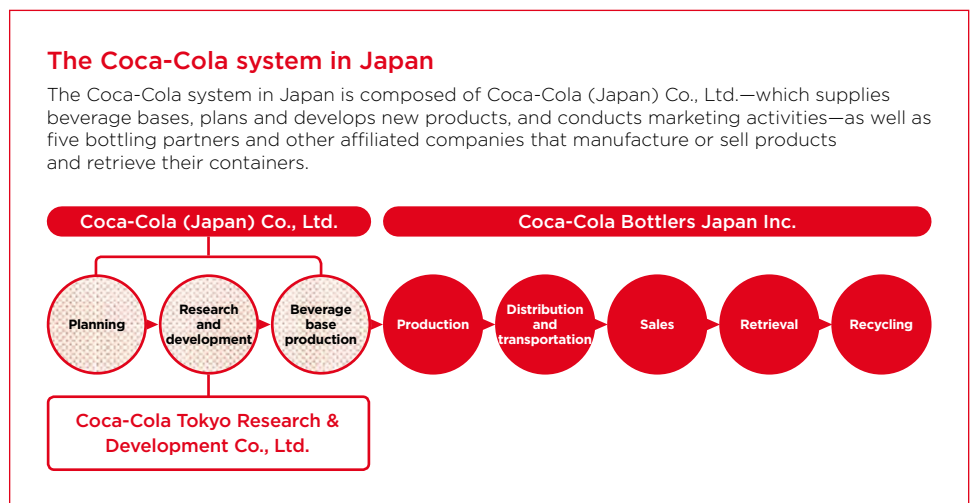
01 ▶ Input

- Natural capital**
 - Water, which is the source of our value creation, and other natural resources
- Intellectual capital**
 - Key global brands, led by “Coca-Cola,” and brands loved in Japan
 - Marketing and R&D expertise to meet the needs of our customers
 - Close relationships with The Coca-Cola Company, including the Coca-Cola (Japan) Company, and members of the Coca-Cola system in Japan
- Manufactured capital**
 - A raw materials procurement network that facilitates the production of safe and trustworthy products
 - Cutting-edge management systems, facilities, and technology in our production plants
 - A network of vending machines covering our entire sales area

- Human capital**
 - Employment of diverse and inclusive human resources
 - Different work styles that allow employees to maximize their talents
- Social capital**
 - The trust of our stakeholders and their support for CSV initiatives
 - Close involvement in activities throughout our sales area
- Financial capital**
 - Good stewardship of capital
 - Solid balance sheet
 - Shareholder returns

02 ▶ Business Model

In our beverage business, which accounts for more than 95% of the CCBJH Group’s revenue in 2019, we aim to deliver to our customers the beverages they want, when and where they want them. To make this a reality, we aim to achieve best-in-class innovation and operations while collaborating with The Coca-Cola Company and members of the Coca-Cola system in Japan. Creating shared value is at the core of our business because we believe opportunities for the Group’s further growth come from helping address social issues.



03 ▶ Output/Outcome

While rapidly responding to changes in society and the market environment, the CCBJH Group works to achieve its mission to “Deliver happy moments to everyone while creating value” through our products and services, and by creating products that not only meet customer needs now but will also fulfill unmet needs.

04 ▶ Returning Value to Nature & Society

We cannot achieve sustainable growth by simply reinvesting profits back into our business. That is why the CCBJH Group is collaborating with communities to strengthen initiatives to revitalize those communities and to address the issues they face. We are also committed to giving back to nature, since natural resources are limited and we recognize our responsibility to handle them with future generations in mind.

We believe improving the sustainability of our communities and the environment (natural resources) through CSV initiatives is a driver of growth for the CCBJH Group.

Coca-Cola System Material Issues

In 2019, Coca-Cola (Japan) Co., Ltd. and Coca-Cola Bottlers Japan Inc. jointly conducted a large-scale study to identify sustainability issues and set priorities based on materiality for the Coca-Cola system in Japan. The intent was to formulate a strategy reflecting issues unique to Japan in addition to global sustainability targets being pursued worldwide in order to develop a common action plan for the combined Coca-Cola system in Japan. This process gave us insight into a set of issues we need to address based on sustainability targets specific to Japan, while also moving toward the achievement of global targets.

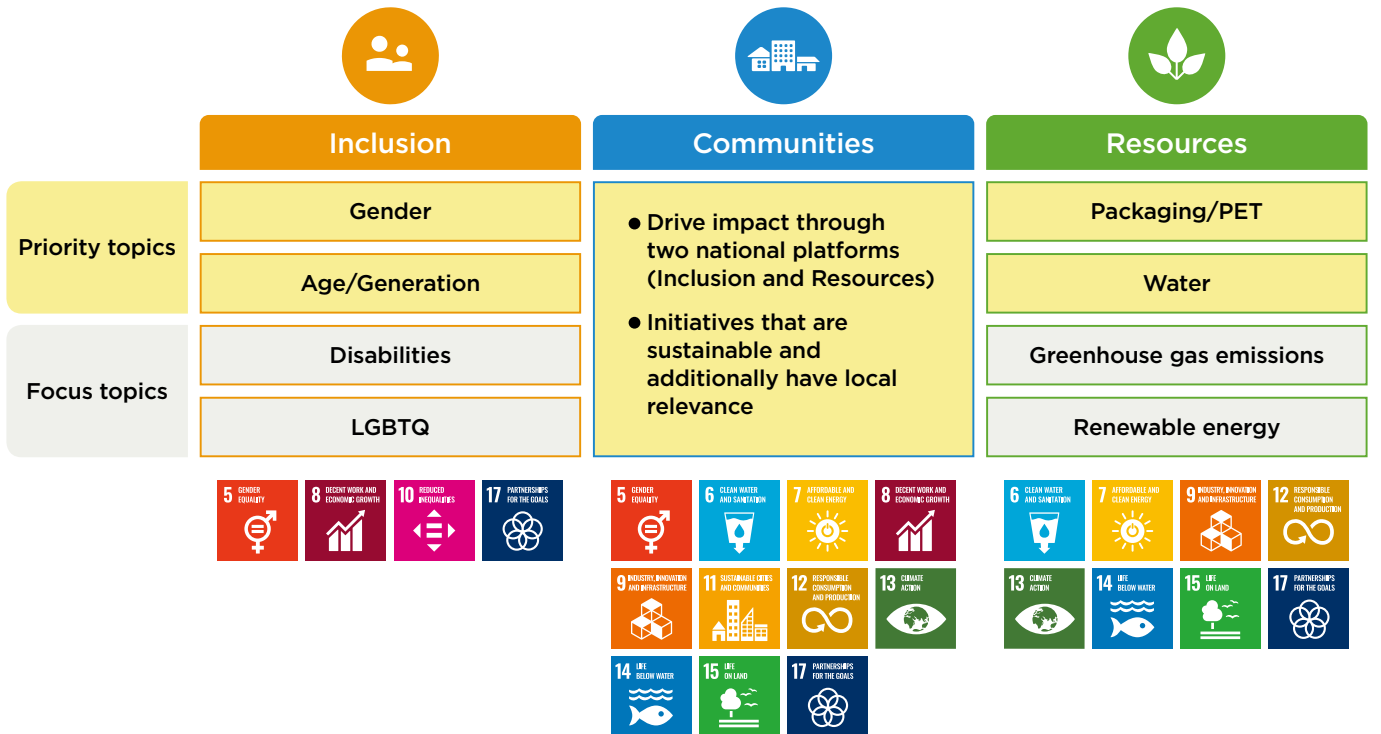
Coca-Cola System Sustainability Activities—Purpose and Strategy

Purpose	We are committed to creating a shared future and a sustainable business that can make a difference when addressing important challenges facing Japan, including the environment, people’s lives, and our communities
Strategy	<p>Leverage Our Leadership Position to Drive Attention and Action</p> <ul style="list-style-type: none"> ● Lead with a powerful example of Inclusion in our own business ● Leverage the power and reach of our system to partner with our Communities ● Take a lead role—working with industry peers—on Resource usage

Three Platforms and Nine Priority Issues

The nine priority issues are further subdivided into five priority topics specified as urgent, and four focus topics that are important but considered less of a priority at this time.

In each domain, we will examine the Impact of our activities against the sustainable development goals (SDGs) and help to address social issues by also working toward the achievement of the relevant SDGs.



Going forward, the Coca-Cola system will develop and implement a concrete action plan based on the identified priority issues. We will continue to report regularly on the progress and results of activities by Coca-Cola Bottlers Japan, Inc., in partnership with the Coca-Cola system in Japan and seek to engage in activities aligned with the times, referring to the opinions of NPOs, outside specialized organizations, experts and other third parties.

Materiality Identification Process

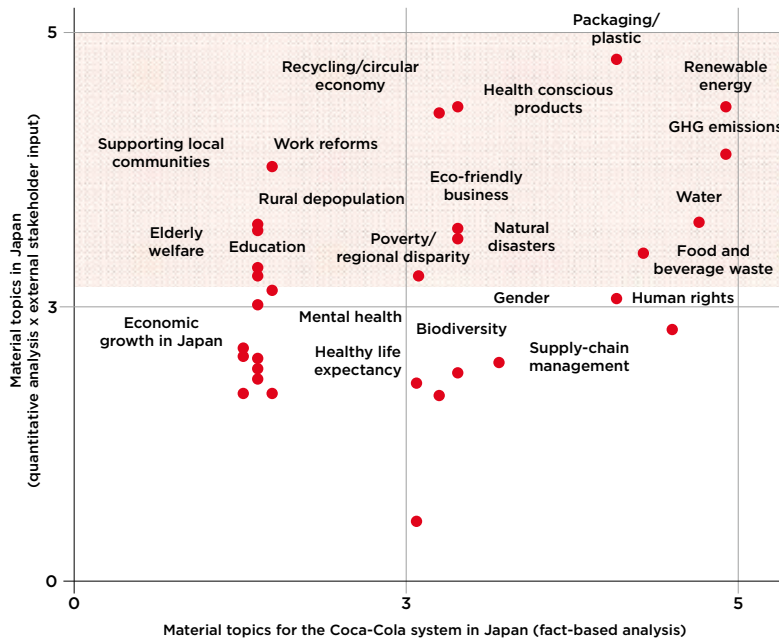
- 1 Issue identification (1): Identified social issues in Japan based on third-party studies**

We selected 189 issues by identifying and categorizing social issues from SDG-related reports and guidelines, outside consultant reports (including outside stakeholder interviews), ISO 26000, government agency reports, and benchmark surveys by outside consultants.
- 2 Issue identification (2): Narrowed down the list from 189 to 33 issues**

We then narrowed down the list of issues from 189 to 33 based on common shared categories, such as renewable energy and an aging society.
- 3 Issue identification (3): Plotted a materiality matrix of 33 issues and specified 15 priority issues**

The importance of each of the 33 issues selected in step 2 was assessed on a scale of 5 and plotted on a matrix with vertical and horizontal axes representing the importance to Japanese society and the Coca-Cola system, respectively. We then specified 15 issues of high social importance that were also highly relevant to the Coca-Cola system in Japan..

Priority matrix - We isolated “high-priority” topics within this matrix



	Topics
Environmental	Packaging/plastic
	Water
	Renewable energy
	Natural disasters
	Food and beverage waste
	GHG emissions
	Eco-friendly business
	Recycling/circular economy
	Health conscious products
	Rural depopulation
Social	Poverty/regional disparity
	Education
	Elderly welfare
	Work reforms
	Supporting local communities

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

We then added 4 priority issues identified within the Coca-Cola system through interviews and workshops with management and junior employees of Coca-Cola Japan and Coca-Cola Bottlers Japan, which increased the number of priority issues to 19.












- 5 Specified 3 platforms and 9 priority issues**

Through workshop-style discussions on the 19 priority issues with the management of Coca-Cola Japan and Coca-Cola Bottlers Japan, agreement was reached on specification of 3 platforms not expected to change over the next 10 years—*Inclusion*, *Communities* and *Resources*—and 9 priority issues (material issues) requiring immediate attention.

Non-financial Goals

CSV Goals

Our creating shared value (CSV) goals state our commitments and priorities in the environment, social, and governance (ESG) spheres towards realizing a sustainable future based on changes in society. We use a plan-do-check-act (PDCA) cycle to ensure we are achieving our CSV goals.

 Products	<ul style="list-style-type: none"> ● 100% Zero/low-calorie options for core brands
	<ul style="list-style-type: none"> ● 300% FOSHU/functional product growth
	<ul style="list-style-type: none"> ● 100% Front-of-pack calorie label and straightforward nutritional information
	<ul style="list-style-type: none"> ● 100% Observation of The Coca-Cola Company Responsible Marketing Policy
 Water	<ul style="list-style-type: none"> ● 200% Water source replenishment. Focus on watersheds near our plants
	<ul style="list-style-type: none"> ● 30% Water usage reduction by 2030
 Climate change	<ul style="list-style-type: none"> ● 25% Reduction in greenhouse gas emissions by 2030
	<ul style="list-style-type: none"> ● Promotion of renewable energy
 World Without Waste	<ul style="list-style-type: none"> ● 50% Content of recycled PET in PET bottles by 2022
	<ul style="list-style-type: none"> ● 90% Content of recycled PET in PET bottles by 2030
	<ul style="list-style-type: none"> ● 100% Sustainable PET without fossil fuel use by 2030
	<ul style="list-style-type: none"> ● 100% Adoption of recyclable packaging by 2025
	<ul style="list-style-type: none"> ● 35% Further lightweight PET packaging by 2030 (compared to 2004)
	<ul style="list-style-type: none"> ● 100% Collection percentage compared to sales volume by 2030
 Partner	<ul style="list-style-type: none"> ● Extensive partnerships across industry and environmental organizations by 2030
 Procurement	<ul style="list-style-type: none"> ● 100% Sustainable sourcing
 Human rights	<ul style="list-style-type: none"> ● 100% Adherence to Supplier Guiding Principles across the CCBJH Group value chain
 Diversity and inclusion	<ul style="list-style-type: none"> ● 6% Female managers
 Society	<ul style="list-style-type: none"> ● 10% Employee volunteers
	<ul style="list-style-type: none"> ● 1 million Participants in community programs

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



Details on and progress of our CSV goals
<https://en.ccbji.co.jp/csv/csvgoal/>

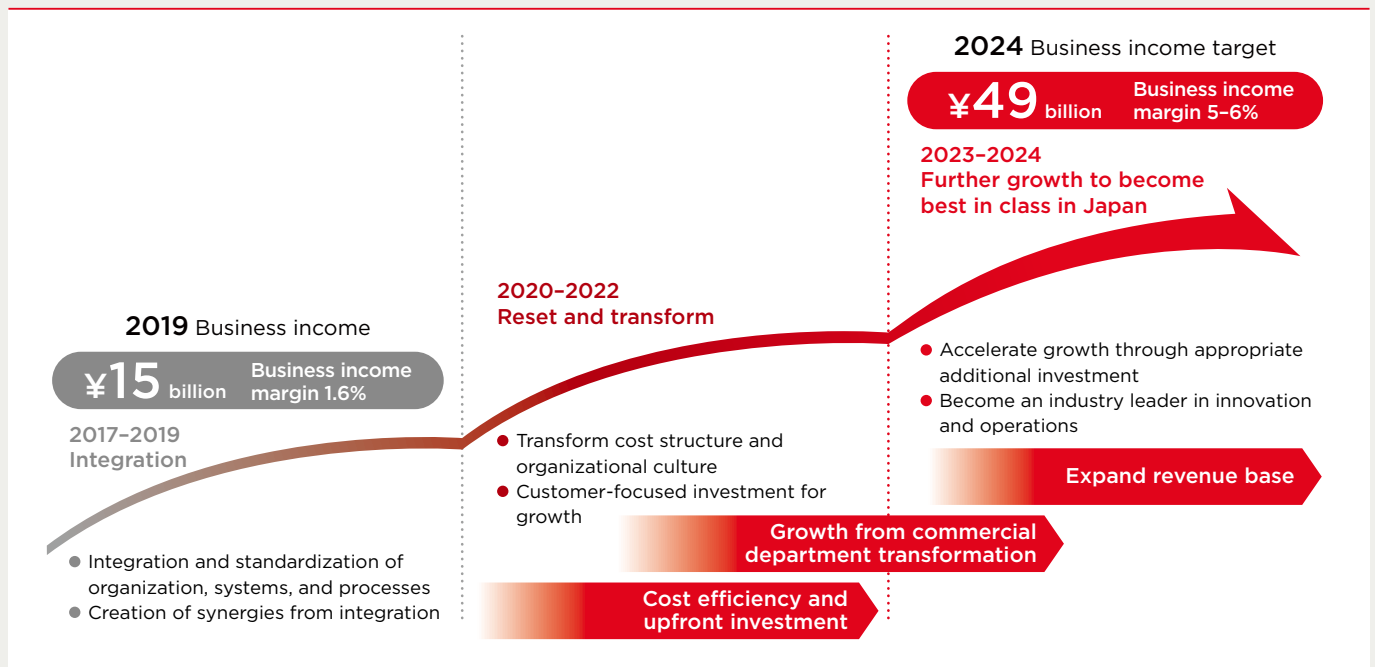


Financial Goals

Mid-term Business Plan

In August 2019, we released our mid-term business plan for the 2020-2024 period, which sets business income margin*1 and return on equity (ROE) targets of 5-6% for the year 2024. With the understanding that business as usual is not an option, we aim to achieve industry-leading innovation and operations through fundamental change.

Fundamental transformation driving the return to a growth trajectory



*1 Business income is a measure of recurring business performance calculated by deducting the cost of goods and SG&A from revenue, and accounting for other recurring income and expenses.

2024 key metrics and picture of success

Main indicator	2024 goals (2019 baseline)
Revenue	Revenue: +0.5-1% annually Sales volume: +1-1.5% annually
Business income margin	5-6%
Earnings per share (EPS)	Basic EPS*2: 3 times or more
ROE (net profit for the year attributable to owners of the parent)	5-6%
Return to shareholders	Mid-term focus: stable payouts Long-term focus: 30% or greater payout ratio

*2 Basic EPS is EPS that excludes temporary impacts not included in business income



Earnings presentations

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



Our Athletes Lead the Way

The CCBJI Group has a number of employees who balance work and sporting commitments to compete at the highest levels of their sports. We have asked four of our athletes to share their thoughts on work and sports.



Rugby sevens

Shotaro Tsuoka

CCBJI HR Division, assigned to CCBJV (East Fukuoka)



Mastering the basics

Rugby has taught me the importance of mastering the basics through repeated practice. I am proving my strengths as a leading rugby sevens player in Japan in order to make the most of the once-in-a-lifetime opportunity of competing at the Tokyo 2020 Olympic Games.

When I am working, I focus just as much on mastering the basics as I do when playing rugby. For example, by focusing on being aware of my surroundings, I can drive more safely. In my daily work with vending machines, I take special care with product management to ensure that I will not cause any inconvenience in the process of delivering happy moments to our customers.



■ Sporting career highlights:

2019 30th Summer Universiade in Napoli, gold medal	
2019 Competed in the Oceania Rugby Sevens Championship	
Competed at the following rounds of HSBC World Rugby Sevens Series 2019-2020:	Dubai Sevens (Round 1)
	South Africa Sevens (Round 2)
	Australia Sevens (Round 4)
	Canada Sevens (Round 6)

Field hockey

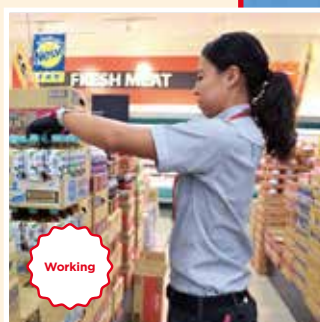
Yu Asai

Central Hiroshima Sales Center, Chugoku Retail Sales Department

Setting goals and striving to achieve them

My goal is to win a gold medal at the Tokyo 2020 Olympic Games, and I also want to grow as a person as I balance my work and my preparations for the Olympics.

In my job as a merchandiser, I focus on maintaining ample communication with retailers in order to build relationships based on trust. In addition, some of the skills I use for work are similar to the ones I use in hockey practice, such as clarifying what needs to be done, setting daily goals, and working to achieve them.



■ Sporting career highlights:

2018	International Hockey Federation (FIH) Hockey World Cup (United Kingdom), 13th place
2018	FIH Hockey Champions Trophy (China), 6th place
2019	FIH Series Final, 2nd place
2019	Tokyo 2020 Olympic Games hockey test event, 2nd place



Para-equestrian

Mina Chinju

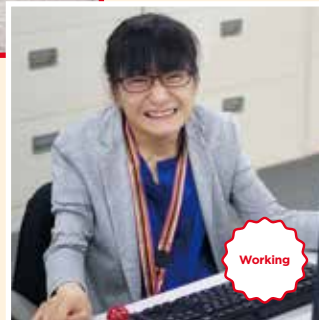
CCBJB
Business Support Department



Communication is always key

The key to success as an equestrian athlete is how well you can communicate with your horse. When riding, I am constantly thinking about how I can best get my horse to move with ease through a process of trial and error. Japan has four equestrian spots available for the Tokyo 2020 Paralympic Games. Above all, I want to secure my place on the team, and then be a rider who can help my teammates by passing on my experience from Athens.

Leading up to the Tokyo 2020 Paralympic Games, I decided on a change in environment, switching jobs a year and a half ago. I am always thankful for my supportive, warm, and understanding colleagues and a work environment that enables me to balance my work and sporting commitments.



■ Sporting career highlights:

2004	Competed in the Athens 2004 Paralympics
2014	Competed in the 2014 FEI World Equestrian Games in Normandy, France
2019	Grade 1 champion at the CPEDI3★ Gotemba 2019 Spring/JRAD Equestrian Event Part 1

Goalball

Maki Tsujimura

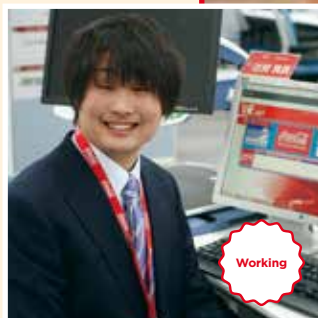
CCBJB
Business Support Department



Being aware and careful in every situation

In the workplace, each person has their own roles and responsibilities, and we achieve results through cooperation. The same is true in goalball. Particularly, I focus on greetings, communication, and being thoughtful and considerate of others.

Upon joining the CCBJH Group, the major change from my student years was my desire to give back to my colleagues through my sporting achievements. I have come to believe that my mission is to show my appreciation to those who always support me by achieving good results in goalball. I will continue trying to achieve those good results while balancing my work and sporting commitments.



■ Sporting career highlights:

2013	IBSA World Youth Championships, gold medal
2019	Hangzhou International Goalball Tournament, silver medal
2019	Japan Goalball Para Championships, champion and MVP

Platform

Inclusion



What we are doing

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



Diversity and inclusion initiatives

We respect the individuality of each of the CCBJH Group's employees, value continuous innovation by actively listening to diverse values and ideas, and actively work to promote diversity and inclusion. The Group is seeking to implement a more diverse management, and since last year, we have put in place a management structure that includes more international and female directors, allowing issues to be examined from more perspectives before decisions are made.

We will continue to provide opportunities for all employees so they can leverage their full potential, regardless of individual attributes and unaffected by factors that could restrict their ability to work.

● "Dear Café" roundtable discussions with female directors

These roundtables offer a space in which female directors can explain the expectations for female managers in a meaningful way, and provide specific advice on any problems that participants may encounter on a regular basis.

● Six-month "To Be" women leaders training courses

We are holding six-month leader training courses while working to enhance the career pipeline for women.

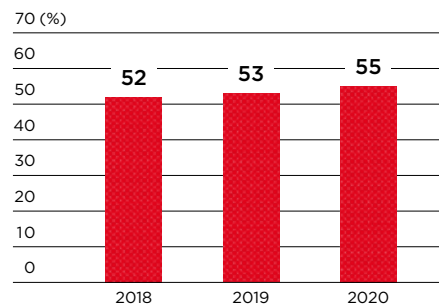


A "Dear Café" roundtable discussion with a female director



"To Be" female leader training course participants

Percentage of new female employees (new graduates) (CCBJI non-consolidated)



By increasing the percentage of female employees when hiring, we are aiming for a total female employee ratio of 15% by 2025 (target percentage of women managers 6%).



Main resource initiatives

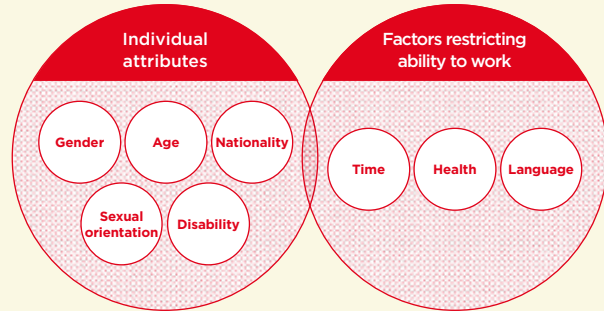
<https://en.ccbji.co.jp/csv/>



Medium- to Long-term Vision for Diversity and Inclusion

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

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



Strong steps to expand opportunities for people with disabilities: opening ceremony for a special provision subsidiary

Having established a policy on diversity and inclusion, the CCBJH Group is providing opportunities for all employees to leverage their full potential by respecting the diversity of each and every member of its workforce regardless of his or her attributes, such as gender, age, disability, nationality, and sexual orientation. We are working to promote diversity with the aim of allowing all employees to be accepting of various opinions and values, while continuing to spur on innovation.

One of the CCBJI Group companies, Coca-Cola Bottlers Japan Benefit (CCBJB) Inc., received certification as a special provision subsidiary, a company that secures employment opportunities for people with disabilities. A ceremony to mark the opening of the new business was held on November 20, 2019.

Established to promote and provide stable employment for people with disabilities, the term special provision subsidiary refers to a company that has in place a supportive environment for people with disabilities and aims to enable them to work regardless of the level of disability.



Special provision subsidiary opening ceremony

With its certification as a special provision subsidiary, CCBJB is even more committed to expanding opportunities for people with disabilities and to the creation of proactive employment for them.

Corporate revitalization and communication: Friends & Family Fest 2019

To express gratitude to the families and other important people in the lives of our employees, and to deepen their understanding of CCBJI and help them gain a real sense of its appeal, we held Friends & Family Fest 2019 primarily at our Akasaka office on August 20, 2019. During the event, 107 family groups (328 people total) spent time experiencing the “Coca-Cola Bottlers Japan Family.” We organized a fun program of events, including English language activities for kids, special drink-making and button badge-making, sports experiences led by Coca-Cola Red Sparks rugby players and athlete employees, and tours of office spaces that those attending would not normally visit.

Going forward, we will continue to make CCBJI a company in which every employee will take pride, and where anyone would want to work.



Friends & Family Fest hands-on button badge-making



Bringing Energy to Our Communities

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

The Coca-Cola Red Sparks team is a member of the Japan Rugby Top Challenge League, and based in the city of Fukuoka. At the 2019 Rugby World Cup tournament, held in the fall of 2019, team member William Tupou (right) played an active part representing Japan and contributed to the national team reaching the Best Eight quarterfinals. Team referee Akihisa Aso (below) also gave his support to the tournament as an assistant referee, and was a part of an exciting experience for not only our communities but also all of Japan.



Alongside all our communities

Coca-Cola Red Sparks rugby team



The rugby team engages in a variety of activities to deliver happy moments to everyone in our communities. On November 23, 2019, the Coca-Cola Red Sparks Rugby Fest 2019 was held at Sawayaka Sports Plaza (Fukuoka City). Recording an all-time high attendance figure at the field, the team was able to interact with many of its fans. In January 2020, we sold Red Sparks surprise grab bags at game venues and donated the entire proceeds to the city of Takeo in Saga Prefecture to contribute to the disaster relief fund that had been set up following the torrential rainfall in August 2019.

Principal
community
activities in
2019

- Held rugby clinics 12 times
Total of approximately 1,930 participants
- Held rugby classes 23 times
Approximately 2,500 participants
- Participated in Fukuoka City Love Earth Cleanup 2019
- Held 90 other events (talk shows and hands-on experiences, etc.)

Coca-Cola Red Sparks field hockey team



Field hockey classes are held in various places in cooperation with communities to foster the development of youth and promote sports. Held in collaboration with the NPO Tops Hiroshima, the “Do Sports Field Hockey Class” held at elementary schools in Hiroshima Prefecture has received very positive response. Members of the team also act as lecturers for Human Rights and Field Hockey Classes, which are sponsored by the Hiroshima Legal Affairs Bureau and the Hiroshima Prefecture Network Association of Human Rights Awareness-raising Activities. These classes support human rights awareness for children by conveying the spirit of fair play through practical instruction and stories of first-hand experience.

Principal
community
activities in
2019

- Held hockey clinics/classes 16 times
Total of 938 participants
- Participated in Hiroshima Flower Festival
- Participated in Hiroshima Zero Litter & Clean Walk Campaign
- Participated in 39th Hiroshima International Peace Marathon

Platform

Communities



What we are doing

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

Water resource conservation activities

We hold environmental education programs in various locations to raise awareness of the importance of conserving water and preserving nature. We are also actively working to revitalize water resources to enhance their ability to replenish themselves—through activities tailored to each area such as tree planting, thinning forest undergrowth, flooding rice fields, and regenerating grasslands—in order to return to nature a volume of water equivalent to what we use in manufacturing our beverages.

In 2019, we conducted water resource conservation activities in 12 of our plants' water source areas—with a total of 421 participants from among the community, employees, and their families. One such event, a Coca-Cola "Learn from the Forest" project in Ebino, was held in April 2019, and attended by 81 volunteers. These volunteers help cut back bamboo thickets, plant mushrooms, and tried woodworking, all while learning about the indispensable nature of water resources.



Coca-Cola "Learning from the Forest" project in Ebino, Miyazaki Prefecture

Initiatives for youth helping to solve social issues

We are working to solve regional social issues collaboratively with local governments, academic, and civic organizations. We have undertaken numerous initiatives so far, including youth-led workshops, presentations, and awards recognizing and highlighting initiatives that tackle issues in the prefectures of Miyagi, Fukushima, Tochigi, and Mie.

In 2019, CCBJI held the Sendai Youth Award ceremony, in partnership with Sendai City and a local NPO, Wakatsuku, to energize and further encourage youth initiatives tackling regional issues. We want to



Main resource initiatives

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



continue to be the chosen partner of everyone in our communities and will promote community-building initiatives to help make them even better places to live.



Sendai Youth Award ceremony in Miyagi Prefecture



"Mie Mirai" workshop with community members

Plant tours

Plant tours are a method of direct communication with stakeholders, especially consumers and business partners. We offer tours of the Zao Plant (Miyagi Prefecture), Tama Plant (Tokyo), Tokai Plant (Aichi Prefecture), Kyoto Plant (Kyoto Prefecture), and Ebino Plant (Miyazaki Prefecture). Around 170,000 visitors toured these plants in 2019.

Visitors can step into our tour area full of classic Coca-Cola memorabilia and see the bottling plant's actual production facilities, while we explain in an easy-to-understand manner about our rigorous quality management standards and our environmental and community initiatives.

We also hold special events such as summer school—family-oriented learning experiences—at our plants during summer break, as well as tours specifically for business partners. At our Kyoto plant in 2019, we collaborated with students from the Kyoto University of Foreign Studies to showcase environmental initiatives around the world through fun cultural experiences while becoming familiar with English.

We are using our plant tours to communicate The Coca-Cola Company's production processes, rigorous

health and safety initiatives, and environmental initiatives so that consumers can feel confident in choosing The Coca-Cola Company's products.

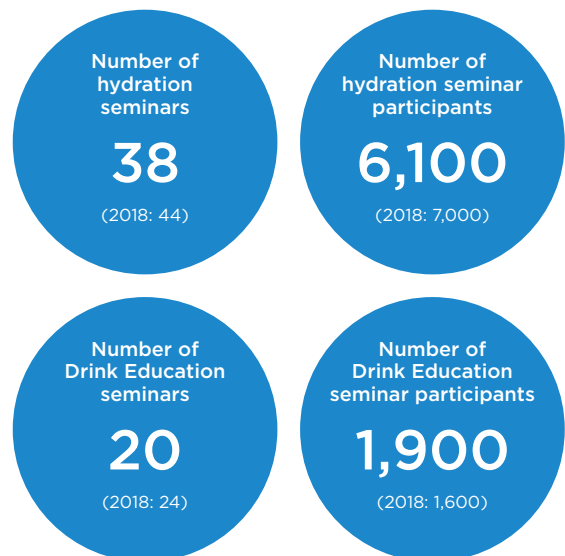


Summer school plant tour

Hydration and Drink Education seminars

We hold hydration seminars to raise awareness and help prevent heatstroke, which has been on the increase in recent years. In 2019, we held hydration seminars around Japan for about 6,100 participants, including from business partners and schools.

We have also been holding Drink Education seminars since 2018 to help participants choose the products most suited to their lifestyles and physical conditions. These seminars cover useful daily information, including about different beverage categories and how to read package labels. Participants commented that they had gained a greater awareness of hydration and the need to hydrate frequently, that they learned how to select beverages suited to their circumstances, and that they had fun learning in the workshop. We will continue holding informative seminars in order to help people make healthy lifestyle choices.



Donating products through food banks

Food banks are organizations where stocks of food, typically basic provisions and non-perishable items, are supplied free of charge to people in need. The Food Loss Reduction Promotion Act was enacted last year in Japan, and the activities of food banks are attracting more attention. Donating products via food banks not only supports those in need but helps reduce wasted resources and food.

Since 2016, we have partnered with and provided products to food banks such as Second Harvest Japan (member of the Alliance of Japan Foodbanks) and the Food Bank All Japan Association. In 2019, we provided beverages to 22 food banks around Japan that have made the most of these products and distributed them to facilities that provide meals for children with busy or absent parents and social welfare facilities. We will continue such initiatives in collaboration with various stakeholders to fulfill our responsibility as a beverage company.

Emergency agreements and supporting communities impacted by disasters

We are helping prepare for large-scale disasters by entering agreements with local governments and

organizations within our distribution area to provide emergency supplies during a disaster. These agreements are to ensure that people impacted by an emergency can rapidly access drinking water so we will prioritize water supply to emergency shelters and provide residents with beverages free of charge from vending machines. As of the end of 2019, we had agreements with 586 local governments and organizations.

In 2019, we responded to requests from the government to provide beverages to residents of Chiba and Fukushima prefectures affected by typhoons Faxai and Hagibis. These efforts were commended in a letter of appreciation from the Ministry of Agriculture, Forestry and Fisheries.



(Right) Akihiro Higashino, Food Manufacturing Division, Food Industry Affairs Bureau, Ministry of Agriculture, Forest and Fisheries (Left) Raymond Shelton, Head of IR & Corporate Communications, Coca-Cola Bottlers Japan, Inc.



CCBJI New Hiroshima Plant:

Recovering from torrential rains in western Japan

Torrential rains struck western Japan in July 2018, and 2.5 meters of floodwater inundated the three production lines at the Hongo Plant (Mihara, Hiroshima Prefecture), halting operations due to serious damage to the production lines and automated warehouse.

Through rapid restoration work, we were able to promptly restore logistical function to the area impacted, and we made the quick decision to shift our production facilities to a new location 4 kilometers from the existing site. The new Hiroshima Plant will have two aseptic lines, for which there is growing demand, and it started initial production in order to supply product mainly to the Chugoku and Shikoku areas in June 2020. More importantly, the investment in this world-class facility demonstrates our commitment to investing for the future, together with this important region of Japan.



Hongo Plant after the flooding



New Hiroshima Plant

Our response to COVID-19

During this outbreak of COVID-19, the safety and health of our employees, our customers and our communities is our number one priority. Our mission is to deliver happy, refreshing moments to everyone, even in challenging times, and we have been working with comprehensive business continuity actions in place to ensure safe and secure product supply as essential goods and services. We are supporting various local communities through our products, and we continue these actions.



- Hygiene guidance in line with Japan government advice reinforced across the organization
- Clear advice and information sharing to support employees experiencing potential symptoms or concerned about exposure to the virus
- Proactive large-scale work-from-home routines for all roles that can be done remotely
- Restrictions on international travel
- Support for employees who need child-care assistance during school closures
- Cancellation of large-scale face-to-face meetings
- Suspension of production plant tours and tight restrictions on visitors to our sites
- Strengthened business continuity planning and scenario analysis for every CCBJH location

Donation of beverages to designated medical institutions for infectious diseases and others through Japan Medical Association

To back up the medical personnel who are engaged in the response to the COVID-19 outbreak, Japan Coca-Cola System, which includes Coca-Cola Bottlers Japan has started the “Refresh Japan” program to donate about 1.3 million bottles of beverages to medical institutions and frontline medical professionals. Deliveries from each CCBJI sales center to the designated medical institutions for infectious diseases have started from mid-May through the Japan Medical Association.



Q'SAI's healthcare and skincare business



Our healthcare and skincare business is centered on our wholly-owned subsidiary, Q'SAI CO., LTD. To propel future growth—and to change its image from that of a kale juice company to one that enables and supports the flexible lifestyles of its customers—Q'SAI introduced a new logo and corporate slogan in October 2019. In conjunction with this, Q'SAI launched a new skincare brand, *Skinkalede*, renewed the packaging and names of its mainstay products, and changed the design of its corporate and retail websites to enable it deliver more consumer value. No matter how our operating environment changes, we will continue creating new value, so our customers feel great in both body and mind.



Toward Achieving a World Without Waste

In 2018, The Coca-Cola Company, out of desire to reduce its impact on the environment, announced a global goal of realizing a World Without Waste. In response, the Coca-Cola system in Japan launched its 2030 Packaging Vision soon after, with a plan based on forty years of experience gained through efforts to reduce resource use by making lighter bottles and initiatives such as bottle recovery and recycling. In July 2019, the Coca-Cola system in Japan renewed its 2030 vision by setting its own ambitious environmental targets that exceed those of the global initiative, including shortening the timeline to achieve certain targets at an earlier date.

Three core elements of the 2030 Packaging Vision

The 2030 Packaging Vision is made up of three core elements—design, collect, and partner. It is founded on the understanding that a World Without Waste can only be achieved by taking a holistic approach to a product's life cycle and by partnering with local communities.



We are promoting bottle-to-bottle recycling by improving the design and material of our bottles to make them more sustainable



We plan to collect and recycle the volume of packaging equivalent to that of products sold

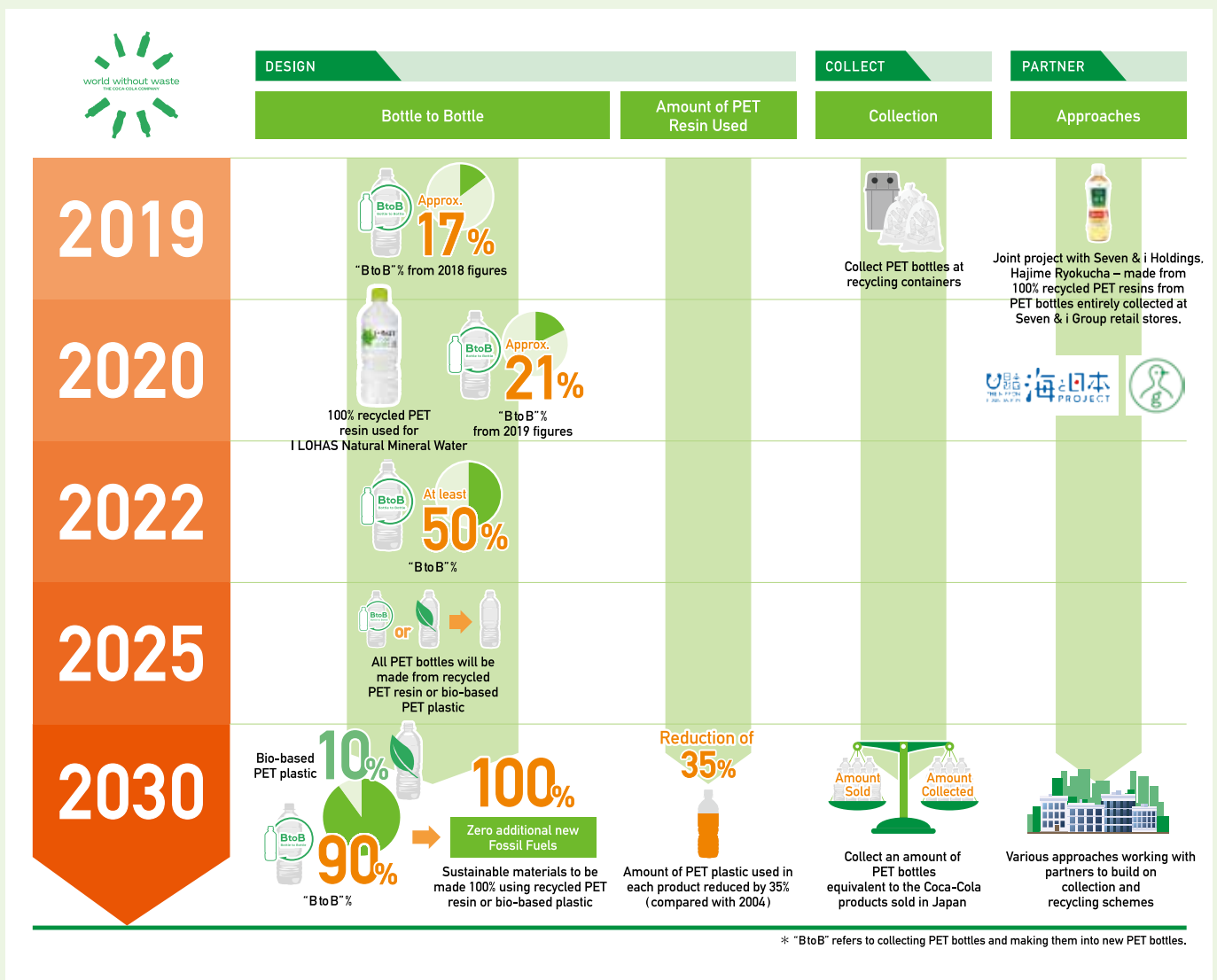
We are building and maintaining stronger collection and recycling schemes through partnerships with the national and local government, the beverage industry, and our communities

Roadmap to 2030

We have set the following concrete targets for our core initiatives of design, collect, and partner. For our Design initiative, our first target is to use at least 50% recycled PET plastic in our bottles by 2022 (results for 2019 were about 21%) under our bottle-to-bottle initiative that gives new life to used PET bottles. We will increase our bottle-to-bottle recycling rate to 90% by 2030. Second, we will shift to using only recyclable material for all PET bottles, glass bottles, and cans for products sold in Japan by 2025. Third, we will switch to using only 100% sustainable materials in our PET bottles and eliminate the use of additional fossil fuels by 2030. Fourth, we will reduce the amount of PET plastic used in each bottle by 35% by 2030 (compared to 2004).

Under our Collect initiative, our aim by 2030 is to be able to recover a volume of PET bottles equivalent to that of the products we sell in Japan. We will actively raise awareness of correct recycling, such as the fact that removing the label and cap from a bottle changes it from waste to resource. We are also committed to keeping our communities looking beautiful through cleanup campaigns.

For our Partner initiative, we are collaborating with the national and local government, the beverage industry, and our communities to further increase our already very high recovery and recycling rates for PET bottles and aluminum cans in Japan, and to build and maintain more robust recovery and recycling schemes.



Recent CCBJH Group initiatives

Design

Bottle-to-bottle recycling results in 100% recycled plastic bottle

The Coca-Cola system is promoting the bottle-to-bottle initiative to give new life to used PET bottles through recovery and recycling. In March 2020, we launched a new bottle made from 100% recycled plastic for I LOHAS Natural Mineral Water. We were able to increase the proportion of recycled PET plastic in the bottle from 30% to 100% as a result of technological innovation that increased the transparency of recycled bottles and collaboration with a partner company. The development of this next-generation PET bottle is a major step toward ensuring the reuse of packaging.

Label-free I LOHAS Natural Mineral Water

We launched a label-free bottle for I LOHAS Natural Mineral Water in Japan that went on sale online starting in April 2020.

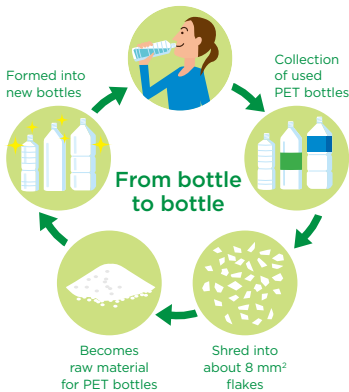


Environmental impact of the 100% recycled plastic I LOHAS Natural Mineral Water bottle

01

Bottle-to-bottle recycling gives new life to once wasted PET bottles

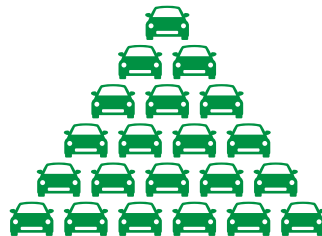
We maximize the use of resources by recycling used PET bottles to make new bottles



02

Reduces annual use of fossil fuel-derived plastic by an amount equivalent in weight to about 4,000 cars*1

Significantly reduces our use of plastics made from fossil fuels*2 and reduces our environmental impact

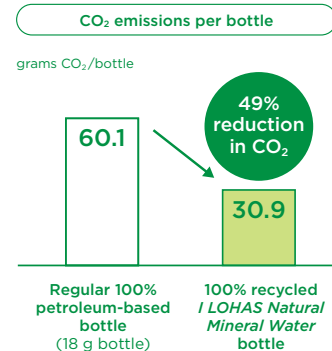


Reduces use of plastic by an amount equivalent to about 4,000 vehicles annually

03

Reduces CO₂ emissions by 49% per bottle

Carbon dioxide emission due to making a bottle is reduced by 49% (compared to a regular bottle*3), helping decrease our environmental impact



*1 Calculated using a compact vehicle (approximately 1 ton) *2 Compared to the former 555 ml I LOHAS Natural Mineral Water bottles *3 PET bottle made from 100% petroleum-based plastic



Cooperating with communities in cleanup campaigns

Many of our employees actively participate in cleanup campaigns around our offices and bottling plants as part of our efforts to further improve packaging collection and recycling rates. On November 18, 2019, we held simultaneous cleanups around Japan at nine locations including Tsurigasaki Beach in Chiba and Shibuya, Tokyo. In total, about 750 employees—including members of Coca-Cola Japan and CCBJI's senior management—participated in the cleanup alongside community members.



Beverage industry initiatives

We have endorsed the Japan Soft Drink Association's declaration on the recycling of plastic in the beverage industry, which was announced in November 2018 with the goal of achieving the 100% effective utilization of PET bottles by fiscal 2030, and we are cooperating in initiatives with our industry peers. Since May 2019, as part of an initiative to encourage recycling and prevent littering, we have distributed more than 200,000 stickers with an industry-wide design that reminds people to not put anything in recycling bins other than empty bottles. These stickers have been placed on recycling bins next to vending machines, mostly in Japan's busiest downtown areas in the Tokyo metropolitan area, and Tokai and Kinki regions.



Joint research with the Nippon Foundation on how trash ends up in rivers

It is estimated that in Japan approximately 98%* or more of all PET bottles are collected, but 2% are not being recovered and have a chance of ending up in rivers or the ocean. To find out the reasons for this 2% loss in recovery, the Coca-Cola system in Japan began a joint research project with the Nippon Foundation. The findings of this research have not only helped inform Japan's beverage industry, but are proving useful in policymaking and initiatives for more effective collection and for preventing bottles from ending up in rivers, the ocean, and elsewhere.

*Source: Coca-Cola Japan research based on findings of waste surveys by local governments in Japan



Online learning to raise employee awareness

We know the efforts of our employees are crucial to achieving our 2030 Packaging Vision. We are conducting e-learning courses for CCBJI Group employees to aid their understanding of social issues associated with packaging, such as marine plastic pollution and resource recovery. As a company that deals directly with PET bottles, we recognize the importance of each of our employees having a high awareness of environmental issues.



Platform

Resources



What we are doing

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



Working to mitigate climate change

We believe that sustainable growth requires balancing the reduction of environmental impact with business growth. We aim to contribute to the mitigation of climate change by reducing greenhouse gas emissions across our entire business, including in the procurement of materials, production, logistics/transportation, and sales.

Disclosure of greenhouse gas emissions

We recognize the mitigation of climate change as a crucial issue to consider throughout the course of our business activities. As such, we transparently disclose corporate greenhouse gas emissions, of which CO₂ is a primary example, and share information with our many stakeholders about the overall state of greenhouse gas emissions, the progress of countermeasures, and other topics so that this can lead to further emissions reductions.

Production initiatives

At our plants, we are actively adopting new processes and the latest technology for improving energy efficiency. In 2019, one element of this was to introduce the newest, high-productivity, energy-efficient PET bottle production lines in our Kyoto and Kumamoto plants. We will continue striving to reduce our energy use by installing the latest, most efficient production lines and facilities in our plants.



Main resource initiatives

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



Logistics and transportation initiatives

Our logistics divisions are furthering the efficiency of transportation—such as between plants, warehouses, and sales centers—through ongoing modal shift initiatives, use of larger vehicles, and improving cargo load ratios. In addition, we are reducing greenhouse gas emissions throughout the Group by improving the efficiency of delivery routes to our business partners, rethinking our sales structure to reduce vehicles, and reducing fuel use by switching to smaller vehicles.

Sales initiatives

To reduce the energy consumption and CO₂ emissions of our vending machines, (including coolers, and drink dispensers), we continuously work toward the development and introduction of new equipment. Our “peak shift” vending machines, which we have been deploying since 2013, shift electricity consumption used for cooling to nighttime, which can reduce power consumption during peak daytime hours by a maximum of 95%. The energy-saving specifications of these machines allow them to provide cold products 24 hours a day, even if the power for cooling is completely stopped for as long as 16 hours. We are also progressing with our plan to eliminate the use of chlorofluorocarbon (CFC) refrigerants in our vending machines.

CFC-free vending machine ratio
Approx.
77%
(-1% year on year)

Number of CFC-free vending machines, including peak shift vending machines
Approx.
541,000



Recycling waste materials

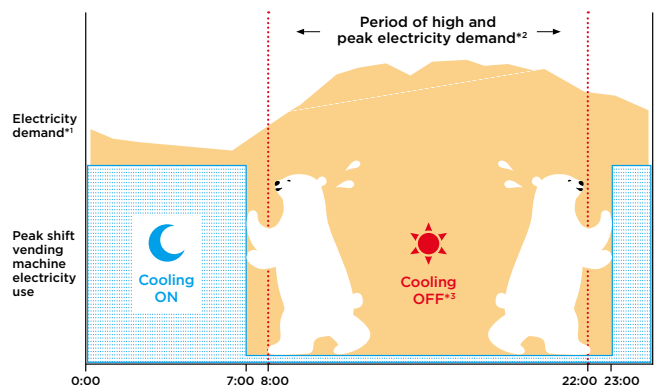
At CCBJI's plants, we sort and recycle waste materials generated by production to continuously achieve zero waste emissions (a waste material recycling rate of over 99% at all 17 plants). Coffee grounds and tea leaves constitute the bulk of our generated waste materials, and we reuse 100% of those materials as fertilizer, animal feed, or fuel.

The used tea leaves that result from the production of *Sokenbicha* at the Zao Plant are combined with byproducts, such as leftover whey from the manufacturing of cheese at the Zao Dairy Center, and used as “eco-feed”* for Zao Sosei beef cattle. Working with the local government and members of academia, the Tokai Plant is also pursuing research into a way to efficiently reuse coffee grounds and tea leaves.

*Food scraps that become feedstuff for animals. The Japanese Ministry of Agriculture, Forestry and Fisheries is actively promoting eco-feed to increase the self-sufficiency rate for feedstuff.



Peak shift vending machines: cooling beverages at night to avoid electricity use at peak times



¹ Power company power consumption rates on days with the highest demand in summer 2012. Source: Compiled from published data of power companies.

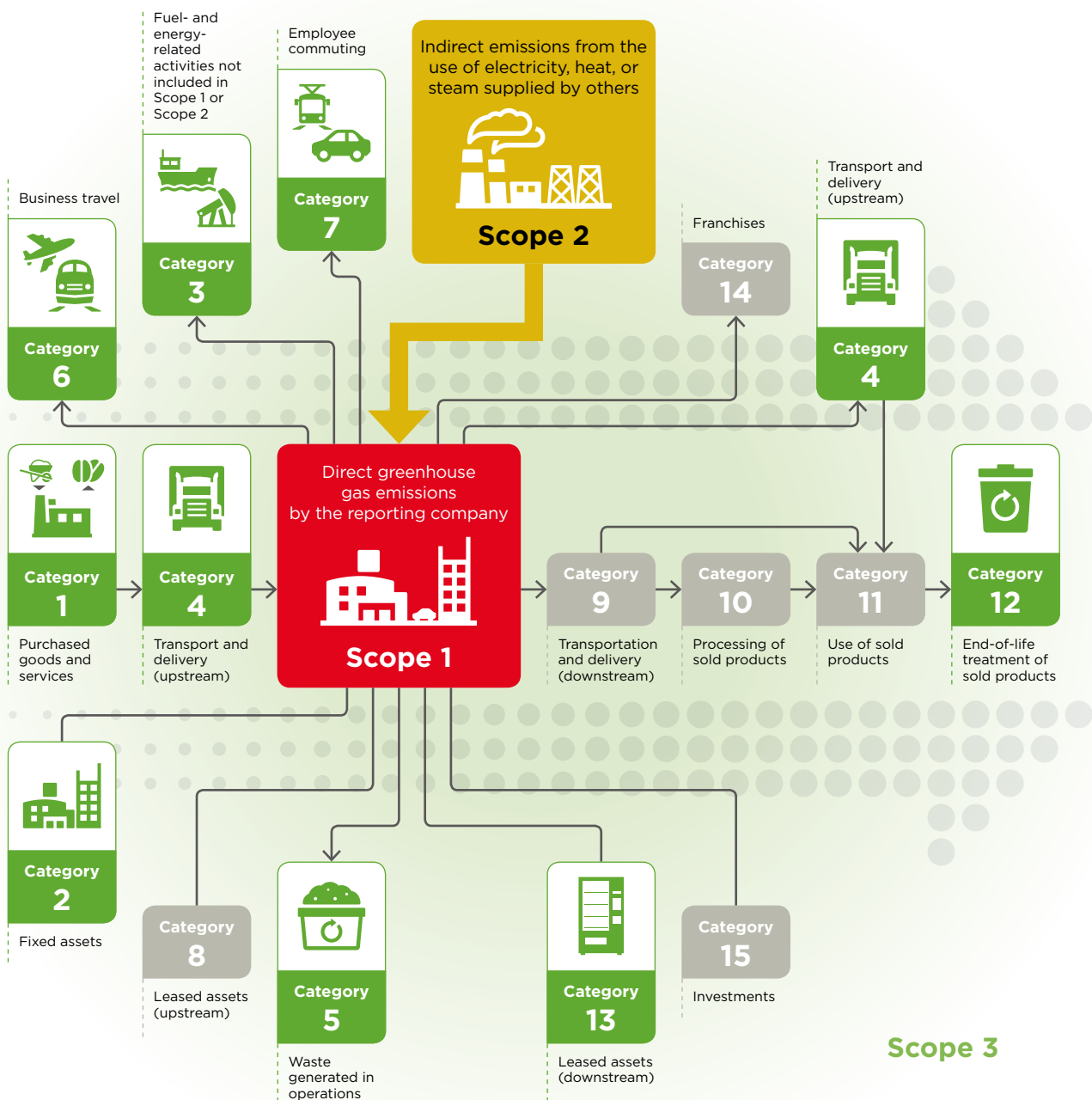
² This refers to “time periods for eliminating fluctuations in electricity demand” designated in the revised Act on the Rational Use of Energy, which went into effect in April 2014.

³ Standby power consumption required for the sale of products occurs even if the cooling system is shut off during the day. Depending on location, peak shift vending machines may be set so that the cooling system is shut off at night and cooling takes place during the day. The cooling system may also operate during the day after products are restocked.

CCBJH Group's CO₂ Emissions Results and Accounting Methods

We consider the mitigation of climate change a crucial issue to address throughout the course of our business activities. As such, we transparently disclose corporate greenhouse gas emissions, of which CO₂ is a primary example, and share information with our many stakeholders about the overall state of greenhouse gas emissions, potential countermeasures, and other topics in the hope that this will lead to further emissions reduction.

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



Source: "Supply-chain emissions in Japan," Ministry of the Environment, 2015
www.env.go.jp/earth/ondanka/supply_chain/gvc/en/files/supply_chain_en.pdf

2019 CO₂ emissions and accounting methods

★ : Covered by third-party assurance

Scope		Emissions (t-CO ₂)			Accounting method	
		CCBJI Group	Q'SAI Group	CCBJH Group (total)	Activity data	Emissions factor
Scope 1	Direct greenhouse gas emissions by the reporting company	190,495	1,057	191,551 ★	Amount of fuel used in offices, sales centers, plants, distribution, etc.	The Coca-Cola system in Japan uses emissions factors calculated based on the Greenhouse Gas Emissions Accounting and Reporting Manual Version 1.2 (Ministry of Environment and Ministry of Economy, Trade and Industry; February 2007)
Scope 2	Indirect emissions from the use of electricity, heat, or steam supplied by others	155,008	2,011	157,019 ★	Amount of electricity used in offices, sales centers, plants, etc.	Electricity's emissions factor is 0.421 kg-CO ₂ /kWh, which is the emissions factor of the average of all electricity sources in fiscal year 2004, as published by the Federation of Electric Power Companies (2005)
Scope		Emissions (t-CO ₂)			Accounting method	
Category		CCBJI Group	Q'SAI Group	CCBJH Group (total)	Activity data	Emissions factor
Scope 3	1 Purchased goods and services	1,058,706	10,145	1,068,852	Procured raw materials (based on weight)	The Coca-Cola Company's emissions factors
	2 Fixed assets	30,738	284	31,022	Fiscal year increase in amount of fixed assets (net price)	Emissions factor according to price of fixed assets from the Ministry of the Environment's emissions factor database (Ver. 2.4) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain
	3 Fuel- and energy related activities not included in Scope 1 or Scope 2	45,991	64	46,055	Amount of fuel, electricity, heat used	Emissions factor for fuel procurement from the Ministry of the Environment's emissions factor database (Ver. 2.4) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain
	4 Transport and delivery (upstream)	112,905	1,480	114,385 ★	Amount of fuel used for outsourced transportation	The Coca-Cola system in Japan uses emissions factors calculated based on the Greenhouse Gas Emissions Accounting and Reporting Manual Version 1.2 (Ministry of Environment and Ministry of Economy, Trade and Industry; February 2007)
	5 Waste generated in operations	21,363	168	21,531	Waste by weight or disposal fee	Emissions factors for waste by type and treatment method from the Ministry of the Environment's emissions factor database (Ver. 2.4) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain
	6 Business travel	4,364	266	4,630	Employee transportation expenses paid	Emissions factors for transportation expenses from the Ministry of the Environment's emissions factor database (Ver. 2.4) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain
	7 Employee commuting	4,162	141	4,304	Employee commuter expenses paid	Emissions factors for transportation expenses from the Ministry of the Environment's emissions factor database (Ver. 2.4) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain
	8 Leased assets (upstream)	N/A	N/A	N/A	N/A	N/A
	9 Transportation and delivery (downstream)	N/A	N/A	N/A	N/A	N/A
	10 Processing of sold products	N/A	N/A	N/A	N/A	N/A
	11 Use of sold products	N/A	N/A	N/A	N/A	N/A
	12 End-of-life treatment of sold products	31,533	282	31,815	Reported amount by weight of containers and packaging recycled, according to the Recycling of Containers and Packaging Act	Emissions factors for waste by type and treatment method from the Ministry of the Environment's emissions factor database (Ver. 2.4) for use with the Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain
	13 Leased assets (downstream)	331,962	0	331,962 ★	Amount of electricity used by the company's sales equipment (vending machines)	Emissions from electricity use is calculated by multiplying the annual electricity use of one vending machine by the number of vending machines in operation in the applicable fiscal year. The emissions factor for electricity is 0.421 kg-CO ₂ /kWh.
	14 Franchises	N/A	N/A	N/A	N/A	N/A
	15 Investments	N/A	N/A	N/A	N/A	N/A
Scope 3 total amount		1,641,724	12,831	1,654,555		

Primary environmental data

★ : Covered by third-party assurance

Category		CCBJ Group	Q'SAI Group	CCBJH Group (total)	Unit	
Raw materials	Sweeteners, coffee beans, tea leaves, milk, etc.	407	3	410	thousand t	
Packaging	PET bottles, cans, cardboard, etc.	310	1	311	thousand t	
Water used for manufacturing		13,316	65	13,381	thousand m ³	
Water consumption ratio	Water used per 1L of product	3.26	—	3.26	L/L	
Energy consumption ratio	Energy used per 1L of product*1	0.87	—	0.87	MJ/L	
Energy use	Manufacturing	Electricity	313,122	3,421	316,543	thousand kWh
		City gas	47,716	0	47,716	thousand m ³
		LNG	10,350	0	10,350	t
		LPG	103	0	103	t
		Fuel oil	1,180	216	1,396	kL
		Kerosene	0	142	142	kL
	Logistics	Gasoline	7,950	495	8,445	kL
		Diesel	57,501	140	57,641	kL
		Natural gas	0.056	0	0.056	thousand m ³
		LPG	824	0	824	t
	Offices*2	Electricity	55,069	1,356	56,425	thousand kWh
		City gas	102	0	102	thousand m ³
		LPG	110	1	111	t
		Gasoline	0	0	0	kL
		Diesel	0.02	0	0.02	kL
		Kerosene	17	0	17	kL
		Fuel oil	0.01	0	0.01	kL
	Sales	Electricity (vending machines)	788,508	0	788,508	thousand kWh
	Total energy use	Manufacturing	5,654,481	47,305	5,701,787★	GJ
Logistics		2,522,728	22,462	2,545,190★	GJ	
Offices*2		551,670	13,394	565,064★	GJ	
Sales		7,751,033	—	7,751,033★	GJ	
Greenhouse gas (CO ₂) emissions	Manufacturing	263	2	265★	thousand t-CO ₂	
	Logistics	172	2	174★	thousand t-CO ₂	
	Offices*2	24	1	24★	thousand t-CO ₂	
	Sales	332	0	332★	thousand t-CO ₂	
Manufacturing waste	Total amount	108,299	141	108,440	t	
	Recycled amount	108,094	2	108,095	t	
Retrieval and recycling	Steel cans	8,368	0.26	8,368	t	
	Aluminum cans	18,617		18,617	t	
	Glass bottles	12,997		12,997	t	
	PET bottles	37,544		37,544	t	
	Paper, cardboard, etc.	28,256		6	28,262	t
Vending machine recycling	Vending machines	39,396	—	39,396	machines	
Environment-friendly vehicles	Hybrid (gasoline or diesel)	1,650	0	1,650	vehicles	
	Natural gas	0	0	0	vehicles	
	Electric vehicles	42	2	44	vehicles	
	Clean diesel	31	1	32	vehicles	
Number of CFC-free vending machines		540,714	0	540,714	machines	

*1 The CCBJH Group uses the Coca-Cola system's global thermal conversion factor in emissions accounting.

*2 In regards to calculating the electricity use and associated greenhouse gas emissions of office activity, 41 out of CCBJI's total 388 business locations were excluded from the scope of this year's calculations. This was due to reasons such as being unable to obtain an accurate measurement of electricity use at leased office locations.

Third-party
assurance report
and accounting
process



Accounting process

	Calculation scope	Accounting method
Manufacturing	All bottling plants of the CCBJI Group (17 plants) and associated equipment within plant premises, as well as Q'SAI Group's Fukuoka Konominato Plant and Q'SAI Farm Shimane	<ul style="list-style-type: none"> • Total energy use (GJ) = total of (energy use for each energy type × thermal conversion factor*) • Greenhouse gas (CO₂) emissions (thousand t-CO₂) = total of (energy use for each energy type × CO₂ emissions factor*)
Logistics	CCBJI's Group's business logistics, including distribution from all CCBJI Group plants (17 plants) to the market (customer retail outlets, vending machines, etc.) and the Q'SAI Group's business logistics, including distribution from the abovementioned plant and farm to the market (customer retail outlets, vending machines, etc.). Also includes third-party (outsourced) transportation.	<ul style="list-style-type: none"> • Total energy use (GJ) = total of (energy use for each energy type × thermal conversion factor*) • Greenhouse gas (CO₂) emissions (thousand t-CO₂) = total of (energy use for each energy type × CO₂ emissions factor*)
Offices	Buildings operated by the CCBJH Group (head office, sales centers, distribution centers, etc.)	<ul style="list-style-type: none"> • Total energy use (GJ) = total of (energy use for each energy type × thermal conversion factor*) • Greenhouse gas (CO₂) emissions (thousand t-CO₂) = total of (energy use for each energy type × CO₂ emissions factor*)
Sales	Vending machines in operation within CCBJI's sales area	<ul style="list-style-type: none"> • Total energy use (GJ) = annual vending machine electricity use × thermal conversion factor* • Greenhouse gas (CO₂) emissions (thousand t-CO₂) = annual vending machine electricity use × CO₂ emission factor*

*Sources for thermal conversion factors and CO₂ emissions factors

For fuel sources other than electricity, the Coca-Cola system in Japan uses a thermal conversion factor and a CO₂ emissions factor that are calculated based on Greenhouse Gas Emissions Accounting and Reporting Manual Version 1.2 (Ministry of Environment and Ministry of Economy, Trade and Industry; February 2007). For electricity, the thermal conversion factor is 9.83 MJ/kWh, as stipulated in Enforcement Regulations for the Law Concerning Rational Use of Energy (revised December 27, 2002), and the CO₂ emissions factor is 0.421 kg-CO₂/kWh, which is the emissions factor of the average of all electricity sources in fiscal year 2004, as published by the Federation of Electric Power Companies (2005).

Water Resource Conservation

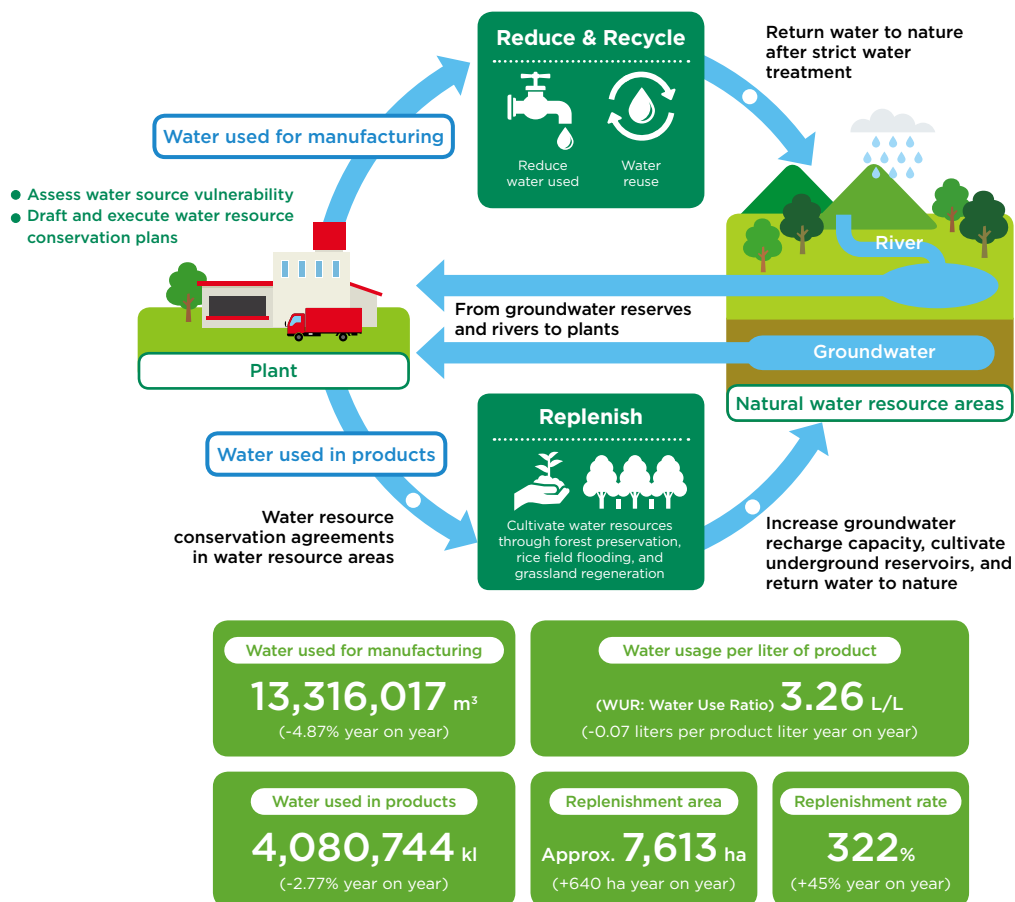
Since we engage in business that relies on the indispensable resource of water, we promote water resource conservation with the goals of reducing water use by 30% by 2030, and maintaining a 200% water resource replenishment rate through 2025.

At our plants, we strictly manage the water used to manufacture products while continually reviewing and improving manufacturing processes and plant equipment in order not to waste any of this precious natural resource. In 2019, the water use ratio (WUR) of product manufacturing was 3.26 liters of water per liter of product, a reduction of 0.07 liters year on year. We work to conserve water resources by cooperating with communities and experts in efforts to return to nature a volume of water equivalent to the amount of water used for manufacturing products, and to contribute to the ability of water resource areas to sustainably cultivate and store water. In 2019, we achieved a 322% water resource replenishment rate, which was a 45% increase year on year.

The Coca-Cola system's water cycle

Within the Coca-Cola system, we regularly assess the vulnerability of water sources in line with the resource conservation guidelines established by Coca-Cola Japan and develop water conservation plans. These plans form the basis for activities at our plants that reduce the amount of water used in the manufacturing process, collect and recycle as much of the water used for rinsing and cooling as possible, and then return it to nature by releasing water that has been properly treated back into rivers.

For the water used in our products, we also pursue initiatives to carefully use and return this precious natural resource to nature by replenishing water resource areas identified through scientific surveys by specialist agencies. We work to cultivate abundant underground water reservoirs through long-term agreements with regional bodies, forest cooperatives, landowners, and local communities to carry out conservation activities that include thinning forest undergrowth, planting, flooding rice fields, and regenerating grasslands.



Plant initiatives and water resource area activities

● Plant initiatives to reduce water use 30%

The Kumamoto Plant and Hakushu Plant succeeded in reducing water use to new levels through the adoption of chemical-free electron beam (EB) sterilization systems. By investing in new manufacturing lines and actively introducing the latest technologies, our plants are working to further reduce water use. We also use systems to manage and analyze water data to constantly improve water use.

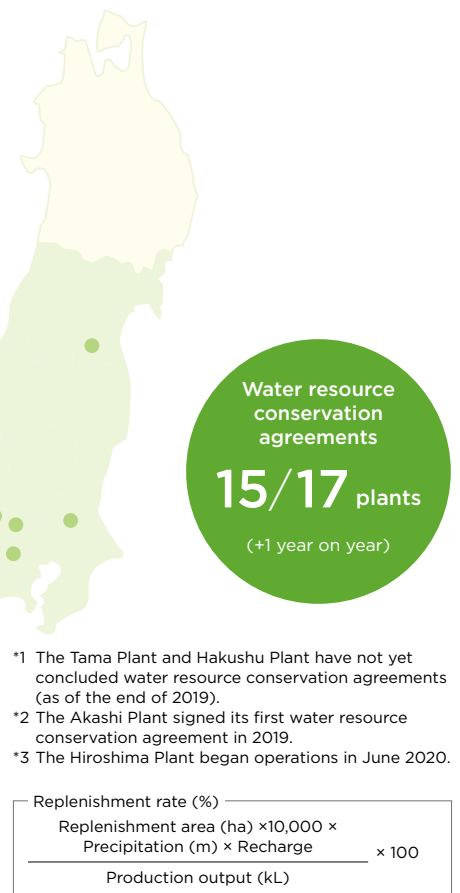


● Water resource area activities to maintain a 200% replenishment rate

In April 2019, the Akashi Plant signed its first agreement with Hyogo Prefecture and the local community for the conservation of the approximately 655 ha of forest in its water resource area. This marked the start of activities to conserve water resources over the next decade. We will continue to engage in and expand activities to cultivate groundwater resources by concluding further agreements for water conservation in all our plants' water resource areas. The water cultivated through these activities will generate groundwater reservoirs over the years to come, and that water will make its way through rivers to our plants where it can be used for product manufacturing.



Production plants (prefecture)	Local water resource agreements	Replenishment rate	Water replenishment area
● Zao Plant (Miyagi)	Zao, Miyagi	118 %	235 ha
● Saitama Plant (Saitama)	Katashina, Tone, Gunma	164 %	1,545 ha
● Iwatsuki Plant (Ibaraki)	Ishioka, Ibaraki	409 %	1,000 ha
● Tama Plant (Tokyo) *1	—	—	—
● Ebina Plant (Kanagawa)	Atsugi, Ebina, Kanagawa	702 %	1,476 ha
● Hakushu Plant (Yamanashi) *1	—	—	—
● Tokai Plant (Aichi)	Ena, Gifu	94 %	142 ha
● Kyoto Plant (Kyoto)	Ujitawara, Kyoto	231 %	307 ha
● Akashi Plant (Hyogo) *2	Tamba-Sasayama, Hyogo	328 %	655 ha
● Daisen Plant (Tottori)	Hōki, Saihaku, Tottori	1,084 %	427 ha
● Hiroshima Plant (Hiroshima) *3	Mihara, Hiroshima	—	705 ha
● Komatsu Plant (Ehime)	Saijyo, Ehime	363 %	146 ha
● Tosu Plant (Saga)	Tosu, Saga	190 %	451 ha
● Kiyama Plant (Saga)	Kiyama, Saga	—	—
● Kumamoto Plant (Kumamoto)	Ōzu, Kikuchi, Aso, Kumamoto	342 %	320 ha
● Ebino Plant (Miyazaki)	Ebino, Miyazaki	625 %	203 ha





Customer satisfaction initiatives
<https://en.ccbji.co.jp/csv/customer/>



For our customers

The aim of the CCBJH Group is to be a company trusted and respected by those around us by always delivering happy, refreshing moments through our beverages to consumers, customers, communities, and all our stakeholders. In accordance with our customer satisfaction policy, we think and act with customer and consumer-centricity at all times and continue to be a company that can meet the expectations of consumers and customers as their best partner. Our Customer Contact Center plays a central role in developing processes in line with this policy with which to meet the expectations of our customers.

Ensuring customer satisfaction

The Customer Contact Center is the point of contact for all customers of the CCBJH Group. The center's Voice of Customer (VOC) section shares opinions, requests, complaints, and other feedback received from customers within the Group to inform initiatives aimed at improving products and services. We comply with ISO 10002 (JIS Q 10002)*, which covers the handling of customer complaints, throughout our customer response processes and management system.

*A standard issued by the International Organization for Standardization (ISO) that provides guidance on the process of handling complaints related to product and service quality. ISO 10002 does not involve third party certification. While any organization can self-evaluate its compliance, Coca-Cola system members in Japan only declare their compliance after receiving an independent compliance audit.



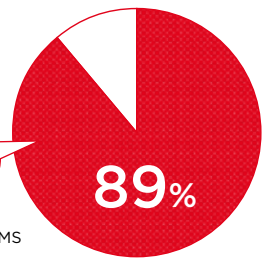
Customer Contact Center, VOC section

Customer feedback

We conduct questionnaires for consumers who have lodged complaints, and provide surveys to evaluate the quality of our customer response and consumers' intention to purchase Coca-Cola products in the future. The VOC section is structured so that a local customer service representative will follow up on the response to a complaint and ensure the customer's expectations have been met. Our surveys have found that for many customers who have had their complaints addressed in this way, their interest in purchasing Coca-Cola products remains unchanged or even increases.

Fiscal 2019 Consumer willingness to repurchase Coca-Cola products

"I am likely to buy Coca-Cola products in the future"



Survey method: A questionnaire via SMS text message sent to consumers who had lodged complaints

Service representative initiatives

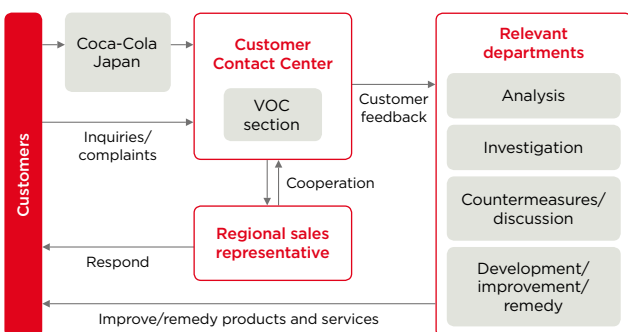
We strive to ensure customer satisfaction by having the customer service representatives in our call center take care to provide responses that are accurate and attuned to customer needs. We are also working to increase the quality of our customer response through quality control assessments of our customer response by an external organization and skills improvement for each of our customer service representatives.



Customer inquiry response rate

94.3%

Customer response process





Quality assurance initiatives
<https://en.ccbji.co.jp/csv/assurance/>



Quality assurance policy

We offer safe, trustworthy, fresh and refreshing products and services to our consumers. To this end, we will work to ensure and improve quality in all operational processes by considering quality our top priority.

Our basic approach to maintaining quality involves not only complying with domestic standards, but also operating under our globally integrated, unique management system known as *KORE* (Coca-Cola Operating Requirements).

KORE covers a range of criteria in the areas of quality, food safety, the environment, and industrial safety and health, and it is implemented throughout the entire process from procurement of raw materials to manufacturing, logistics, and sales to the consumer. In addition to meeting the requirements of standards such as those from the International Organization for Standardization (ISO), and various laws and regulations, *KORE* imposes even more rigorous standards.*

*Concerning quality, we comply with ISO 9001; concerning food safety, we comply with FSSC 22000; concerning the environment, we comply with ISO 14001; and concerning industrial safety and health, we comply with OHSAS 18001 (though some locations are currently transitioning to ISO 45001). We have acquired these certifications at all our plants. We have also acquired ISO 14001 certification at all our sales centers and offices.

Basic principles for quality

- 1 Each of our departments is aware of its roles and responsibilities and implements customer-driven quality control.
- 2 We will perform our daily work with the top priority on "quality."
- 3 Each one of us keeps in mind and thinks about "quality" at all times and acts to enhance our brand value.

Fostering greater awareness of quality

We are fostering employee awareness of quality to deliver safe and trustworthy beverages to our consumers.

● CCBJI Quality Assurance Monthly Report

We send out a quality assurance report every month to our heads of departments. Our department heads raise awareness of quality issues and how we are remedying these issues.

● Sixty-second quality assurance lessons

On our intranet, we run a series of mini lessons on product quality assurance to really keep quality at the forefront of our employees' minds.



● Quality surveys and inspections

We actively work to prevent risk by having members of the department in charge of quality assurance go to bottling plants and logistics and sales centers to check on quality management procedures and potential risks, and to communicate ways of reducing risks and improving procedures.

● Videos for dealing with complaints

We produce videos—in collaboration with the sales department—that are based on how sales representatives have handled complaints. These videos give tips on how to deal with complaints in way that will help gain even greater trust from our customers and consumers.

KORE Quality Management System

Coca-Cola (Japan) Co., Ltd.

CCBJI Group

Procurement

Beverage base preparation

Manufacturing

Logistics and transportation

Sales (retailers and vending machines)

Customers

Raw materials are only sourced from suppliers certified by the Global Food Safety Initiative (GFSI).

Beverage bases undergo strict quality inspection using the latest analysis equipment (physicochemical and microbiology testing, etc.).

To deliver reliable quality, we endeavor to ensure product safety by striving to comply with quality management systems and improve our quality management technologies.

We ensure careful handling of the products manufactured at our plants so that they are delivered in excellent condition.

We work to maintain merchandise control at retailers and vending machines to ensure that we provide consumers with products that are always safe, trustworthy, and fresh.

We integrate opinions, inquiries, and other feedback from customers with improvement activities.



Ethics and Compliance



Ethics and compliance initiatives
<https://en.ccbji.co.jp/csv/compliance/>



Ethics and compliance policies

In order to be a sustainable business, the CCBJH Group must fulfill its social responsibilities and every individual employee should always act appropriately. As part of this, we have enacted the Code of Business Conduct and Ethics, and we promote a corporate culture that emphasizes ethics and compliance. In line with our Mission, Vision, and Values, we value acting with integrity and trust.

The Code of Business Conduct and Ethics covers four areas: right conduct, respect of human rights, dealing with stakeholders, and conflicts of interest. All employees are expected to observe all laws and regulations as well as the Code, internal rules, and workplace principles. They are also expected to act with integrity and honesty, to think before acting, and to seek guidance when in doubt.

Compliance education

To further foster and inculcate high ethical standards and compliance awareness within the Group, we regularly disseminate ethics and compliance bulletins to all employees, and implement awareness and education activities, including training for specific groups—such as management or new employees—and e-learning for all employees.



Ethics and compliance training

Ethics and compliance reporting systems

We have set up the Ethics & Compliance Reporting Hotline (a dedicated email address and telephone number) so employees can directly consult about matters that conflict with, or may conflict with, the Code of Business Conduct and Ethics. Anonymous consultation is available, and we are striving to raise awareness of the hotline and create an environment that facilitates consultation by a variety of means, such as issuing ethics and compliance bulletins, posting the hotline contact details on the Group intranet and displaying posters in each workplace. When a report is received, it is investigated and if a violation is deemed to have occurred, it is dealt with appropriately and corrective measures are taken. We also strive to protect employees in the process of a consultation, and prohibit the disadvantageous treatment of any employee who initiates a report.

Let's observe the Code Of Business Conduct & Ethics

As declared in MVV, we CCBJH Group puts value on acting with integrity (sincerity and trust.)

Requirements for all employees

- ◆ Observing the laws and regulations, the Code of Business Conduct & Ethics, as well as internal rules and workplace disciplines.
- ◆ Judging sensibly, and avoiding behaviors that can be regarded as inappropriate.
- ◆ Also in private life, strictly refraining from actions that can damage the company's honor and profit.

Self-checking behaviors When in doubt, please ask yourself before taking actions.
Is what you are trying to do...

- In accordance with the laws and regulations? **Yes?**
- In accordance with the corporate philosophy and the COBCE? **Really?**
- Will be supported by the customers and the public? **Really?**
- a behavior considering other people's situation?
- an action that lives up to reputation of yourself and the company?

If your answer to any of the above is "No", please **do not take the action.**

Ethics and compliance poster

Check!

- Violations of the Code of Business Conduct and Ethics → None
- Payment of important environmental or ecological fines or penalties over the past four years → None
- Political contributions (Donations or spending for political activities/ groups, lobbyists/lobbyist organizations, trade association, or other tax-exempt groups) → None

WEB Coca-Cola Bottlers Japan Holdings Group Code of Business Conduct and Ethics
https://en.ccbji.co.jp/vision/pdf/en/CCBJGroup_Ethics_en.pdf

WEB Basic Policy for Suppliers
https://en.ccbj-holdings.com/corporate/governance/pdf/supplier_en.pdf



Risk management initiatives
<https://en.ccbji.co.jp/csv/risk/>



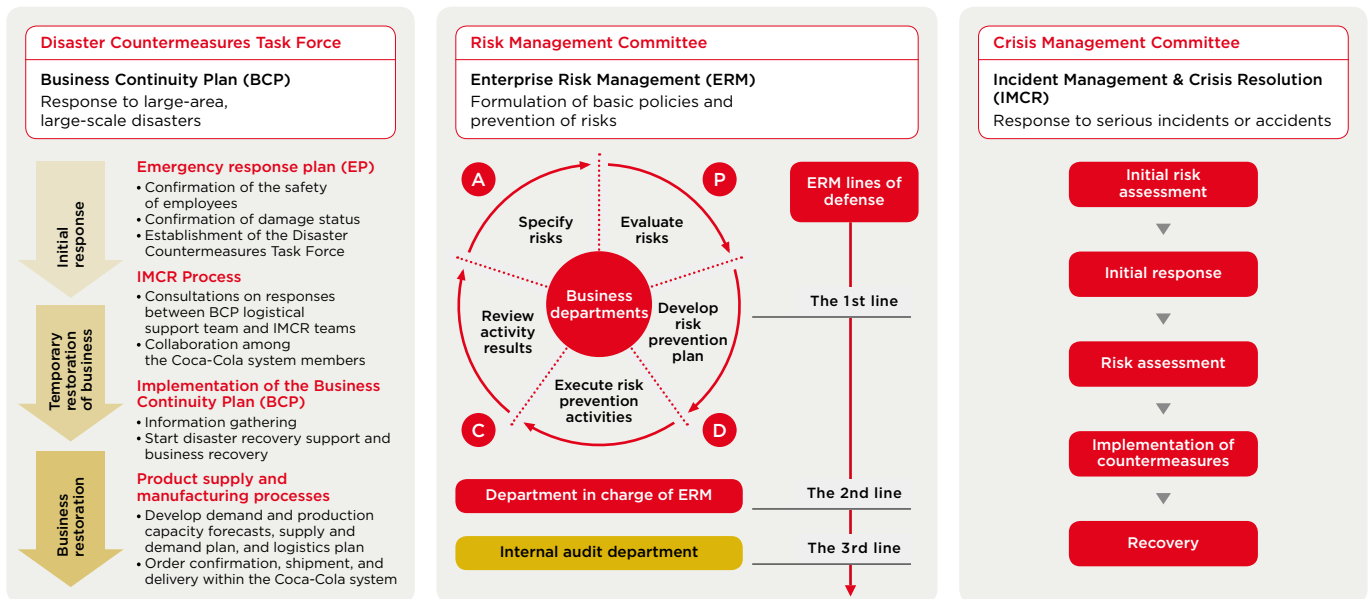
Risk management systems

The CCBJH Group has set up 1) the standing Risk Management Committee, which formulates basic policies, and deliberates and decides risk prevention activities; 2) the Crisis Management Committee, which decides and leads the response when a major problem or accident occurs; and 3) the Disaster Countermeasures Task Force, which deliberates and initiates the business continuity plan (BCP) when a wide-area disaster occurs that significantly impacts business activities.

All CCBJH Group companies and departments implement PDCA cycles and engage in risk prevention activities. Autonomous control by the Risk Management Department serves as the Group's first line of defense. Risk monitoring by the department in charge of Enterprise Risk Management (ERM), which handles the administrative duties for the committees listed above, is the second line of defense. Assurance by the Internal Audit Department is the third line of defense.

If an incident occurs, the Group gathers information and discusses an initial response and solutions using the Coca-Cola system's Incident Management and Crisis Resolution (IMCR) protocols, and the president of CCBJH may convene the Crisis Management Committee if needed.

Diagram of risk management systems



Initiatives in 2019 Always incorporating new elements to respond more smoothly to emergencies

Having revised the Business Continuity Plan (BCP) earlier in 2019, in October we conducted a drill to practice connecting the disaster response headquarters, headed by the president, with the local response headquarters in each region, and we were able to confirm the effectiveness of the BCP. We also used an online conference system (compatible with simultaneous interpretation) for training. While utilizing this new tool, participants were able to learn how to simultaneously share images and documents in addition to communicating verbally, and verified the response process based on the new BCP. Immediately after the training, when Typhoon Hagibis struck, we were able to make use of what had been accomplished in the training to smoothly exchange information and communicate well. We were also able to conduct safety confirmation training for all employees and raise their awareness of the need to ensure safety in an emergency.



Conducting the disaster response drill

Human Rights and Employee Job Satisfaction



Human rights and employee job satisfaction initiatives
<https://en.ccbji.co.jp/csv/humanrights/>



HR system

We appropriately evaluate and compensate employees' contributions to the achievement of our strategic goals in line with our company Mission, Vision, and Values, as represented by "Paint it RED! Let's Repaint our Future."

Aiming to continue to be an employer of choice, we will work to attract more talented and diverse human resources and promote the personal growth of every individual.

Examples of systems and policies

- Evaluations and human resource development programs that emphasize values (actions) in addition to business performance
- Introduction of results-based bonuses that reward high performers
- Remuneration that is competitive in the labor market and awarded in accordance with the position's roles and responsibilities
- An employee benefit system that enables employees to continue working with motivation and a feeling of security

Work-style reform

To improve productivity, the CCBJI Group is promoting the standardization and optimization of operations across all its companies and actively promoting the implementation of IT and digitization while strengthening the foundation of work-style reform.

As a measure to eradicate long hours and service overtime, we are also deploying a clock-in system (time from arrival at office until leaving = working time) at all Group companies.

To make the most of more flexible work styles, we are promoting more comfortable working environments by introducing a range of systems. In addition to encouraging employees to go straight to or return home directly from third-party locations and to work from home or in satellite offices, these work systems cover areas that include a work/break interval structure, staggered work times, flextime, planned annual leave, and leave to enable employees to participate in volunteer activities.

We also support employees who must balance medical treatment with work, and employees are not only

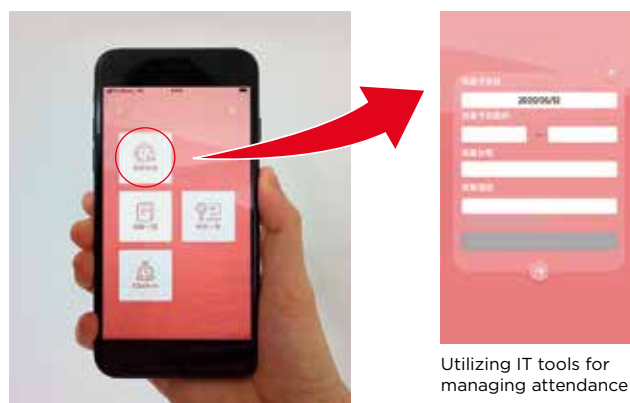
encouraged to take advantage of shorter working hours and staggered work times, but they are also able to obtain leave for hospital visits. This includes up to three months of paid leave, as well as unpaid leave for personal injury and illness (stipend of up to 80% the standard wage) for a maximum of 30 months total leave.

Specific initiatives

- Implementation of a series of telework weeks
- Participation in national Telework Days and Tokyo Metropolitan Government's Jisa Biz initiative
- Establishment of days to encourage the taking of paid leave
- Introduction of IT tools via the distribution of smartphones to all employees (use of smart phone apps for clocking in and out of the office, requests for overtime, etc.)
- Introduction of robotic process automation (RPA) with the aim of improving sales activities and business efficiency



Working from home using IT tools



Utilizing IT tools for managing attendance

Health management

Maintaining and enhancing the health of CCBJI Group employees is important to us, and we will nurture a corporate climate that prioritizes employees' health with

the aim of remaining healthy even at the age of 100 (“Road to 100”).

For employees who actively seek to improve their health by changing their lifestyles, we have set up an internal health office to analyze the results of employees’ physicals and stress checks together with our health insurance association to develop individual health management plans. We are supporting the health of each employee through various internal business initiatives.

Coca-Cola Bottlers Japan Health Declaration “Sawayaka Style”

“Road to 100” – Striving for a healthy body even at the age of 100

Coca-Cola Bottlers Japan offers products and services that meet the needs and preferences of all generations. We encourage our employees to lead active and healthy lifestyles in order to feel more secure and enjoy their work. We recognize the responsibility for each employee to proactively maintain good health and to take actions to enhance personal health, and the Company and the Health Insurance Association are working together to advance various actions to nurture a corporate climate of “Health as No. 1.”

Carrying out the “Sawayaka Challenge!!”



The Sawayaka Challenge!!

In order to promote Health & Productivity Management company-wide, we have launched a program called “Sawayaka Challenge.”

Specific initiatives

- Held Sawayaka Walk 2019 (walking event)
- Provided videos via the company intranet of the Coca-Cola Red Sparks rugby team demonstrating original “Sawayaka Stretch” exercises and holding physical exercises at all business locations
- Introduced program to help employees quit smoking

Occupational safety and vehicle safety initiatives

Based on the philosophy that “health and safety come first,” protecting the safety and health of all CCBJI Group employees, creating vibrant workplaces, enhancing productivity, and fulfilling corporate social responsibility form the Group’s foundation for business continuity. The Group works to create and nurture a culture of safety based upon mutual trust and by putting principles into practice.

Under the key concepts of eliminating unsafe behavior and eradicating unsafe situations, we rigorously engage in overall safety awareness at the workplace, and inform every employee of safe behaviors and safe driving practices, and work toward achieving zero emergencies and zero accidents at each workplace.

Specific initiatives

- Drive recorder with personal authentication



- Safe driving training for new graduate employees



- Implementation of hazard prediction training



- Accident recurrence prevention training



Check!



Lost-Time Injury Rate → 0.27



Corporate governance

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



Corporate Governance Report (in Japanese only)

https://www.ccbj-holdings.com/corporate/governance/pdf/report_jp.pdf



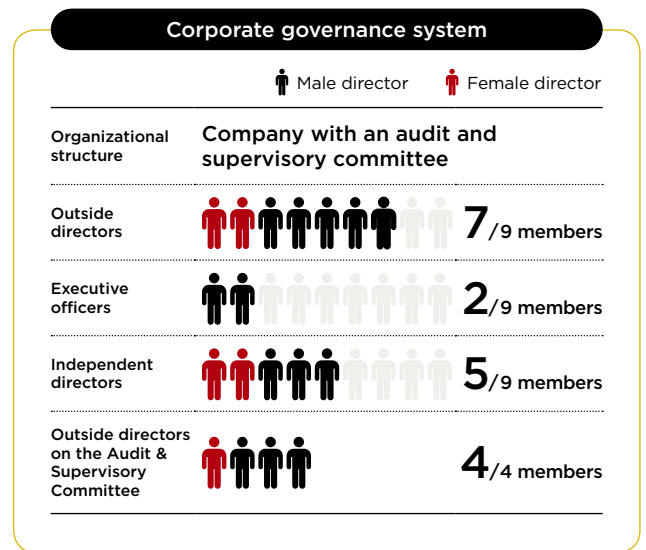
Basic policy on corporate governance

The basic policy of Coca-Cola Bottlers Japan Holdings Inc. (the Company) is to increase management soundness, transparency, and efficiency, and strive to enhance mid- and long-term corporate value.

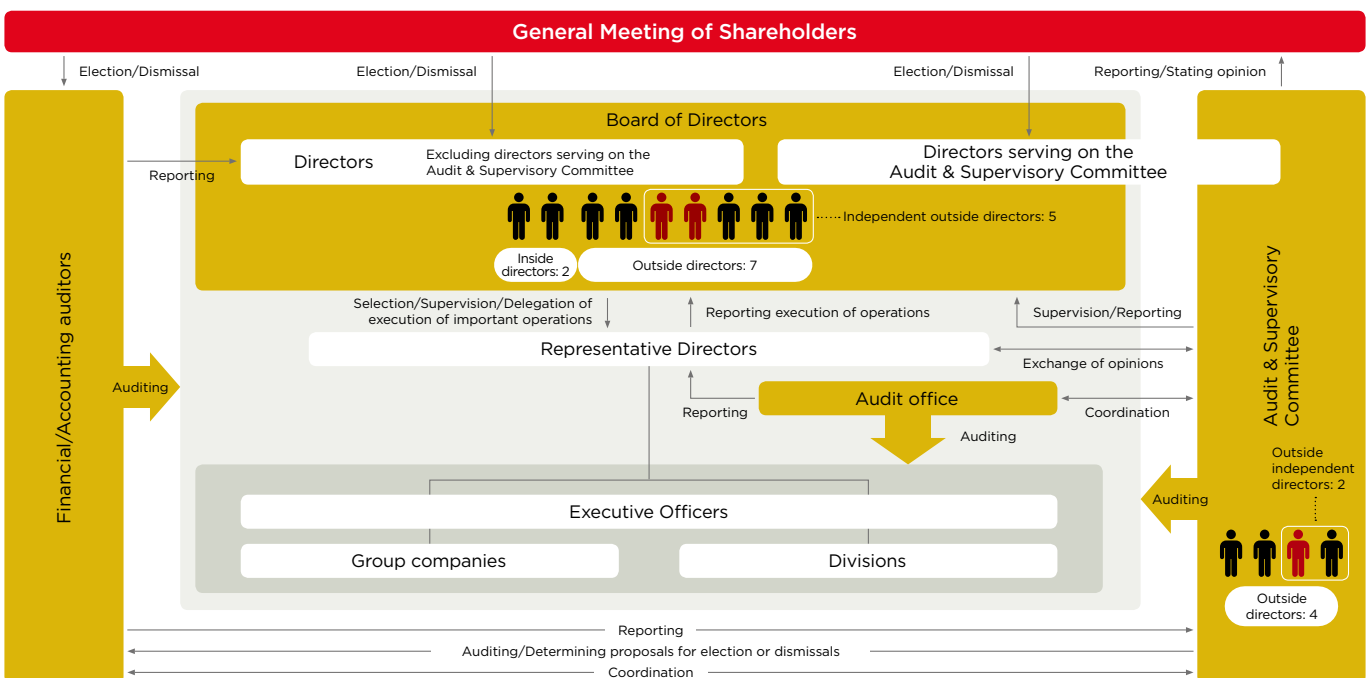
To further strengthen the governance structure, the Company has put in place an audit and supervisory committee structure. The Audit & Supervisory Committee, which is responsible for the Company's auditing, consists solely of outside directors (Audit & Supervisory Committee members), including multiple independent outside directors. The Company's management oversight function is further strengthened by granting to these outside directors serving as Audit & Supervisory Committee members voting rights at meetings of the Board of Directors and the right to state opinions at the General Meeting of Shareholders on matters such as the nomination and remuneration of directors.

In addition, the Company has adopted the executive officer system for the purpose of separating decision-

making and management oversight from business execution. By delegating some important decisions on business execution to executive officers, the Company endeavors to enrich discussion of particularly important matters at meetings of the Board of Directors and expedite management decision-making on other matters by the management team.



Corporate governance system (as of March 26, 2020)





Calin Dragan
Representative Director and President

Calin Dragan possesses a wealth of management experience and knowledge pertaining to the global Coca-Cola business gained as representative director and president of a Coca-Cola bottler in Japan and in positions at overseas Coca-Cola bottlers in several countries.



Bjorn Ivar Ulgenes
Representative Director, Vice President,
Chief Financial Officer and
Head of Finance

Bjorn Ivar Ulgenes possesses a wealth of management experience and knowledge pertaining to the global Coca-Cola business gained at The Coca-Cola Company.



Hiroshi Yoshioka
Outside Director, Independent Director

Hiroshi Yoshioka possesses a wealth of management experience and global business knowledge gained as an outside director of a Coca-Cola bottler in Japan and at Sony Corporation.



Hiroko Wada
Outside Director, Independent Director

Hiroko Wada possesses a wealth of management experience and global business knowledge gained as a corporate officer at The Procter & Gamble Company (U.S.) and as representative director and president of Dyson Ltd. and Toys "R" Us-Japan, Ltd.



Hirokazu Yamura
Outside Director, Independent Director

Hirokazu Yamura possesses a wealth of management experience and knowledge pertaining to the Coca-Cola business gained as the representative director and president of Michinoku Coca-Cola Bottling Co., Ltd.



Irial Finan
Outside Director (serving on the Audit &
Supervisory Committee)

Irial Finan possesses a wealth of management experience and global business knowledge gained as a corporate executive involved in the Coca-Cola business over many years as an outside director of a Coca-Cola bottler in Japan, senior vice president at The Coca-Cola Company, and as president of the Bottling Investments Group, which manages The Coca-Cola Company's company-owned bottling operations worldwide.



Celso Guiotoko
Outside Director (serving on the Audit &
Supervisory Committee)
Independent Director

Celso Guiotoko possesses a wealth of management experience and global business knowledge gained at Nissan Motor Co., Ltd. and auditing experience gained as a statutory auditor of Nissan.



Nami Hamada
Outside Director (serving on the Audit &
Supervisory Committee)
Independent Director

Nami Hamada has extensive experience in finance and accounting, including management of her own financial consulting company, and possesses a wealth of experience and global business knowledge gained as a corporate executive at Lehman Brothers Japan Inc.



Enrique Rapetti
Outside Director (serving on the Audit &
Supervisory Committee)

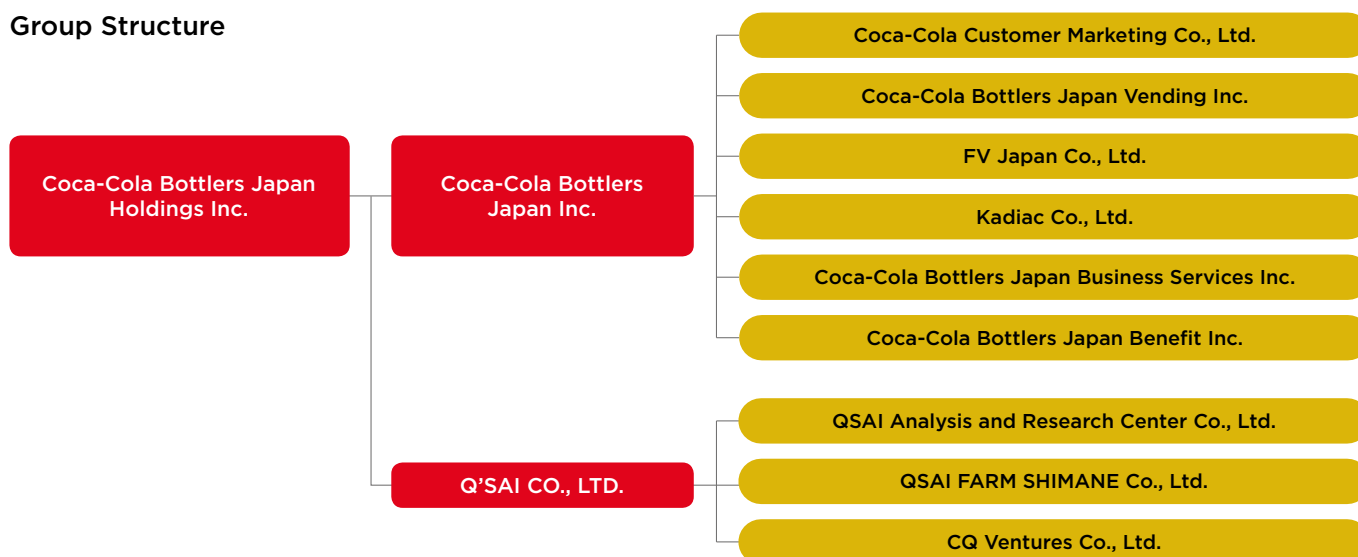
Enrique Rapetti possesses a wealth of management experience and knowledge, as well as considerable knowledge regarding finance and accounting, gained as the CFO of The Coca-Cola Company's Latin America Group.

Corporate Profile (As of December 31, 2019)

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

As of December 31, 2019, Coca-Cola Bottlers Japan Holdings Inc. was listed on the Fukuoka Stock Exchange, but the Company has submitted an application for delisting to the stock exchange and plans to do so once that process is completed.

Group Structure



External Evaluations

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

Dow Jones Sustainability Indices (DJSI)

CDP
DISCLOSURE INSIGHT ACTION

CDP

NADE SHIKO 2020

Semi-Nadeshiko 2020

L-boshi

Kurumin

健康経営優良法人 2020
Health and productivity
ホワイト500

Health & Productivity Management Organization White 500

DIVERSITY MANAGEMENT SELECTION 100 2020

New Diversity Management Selection 100

NIKKEI Smart Work 2020
★★★★

Nikkei Smart Work Management Survey four-star rating

SPORTS YELL COMPANY

Sports Yell Company

work with Pride
Gold 2019

work with Pride

CERTIFIED
ISO 14001

ISO: International Organization for Standardization

CERTIFIED
FSSC 22000

Food safety management system FSSC 22000

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

Awarded to CCBJH and some of its Group companies.

To enable stakeholders to better understand our business and place their trust in the CCBJH Group, we disclose information in a timely and appropriate manner. We work to provide integrated corporate information by using our CSV Report to communicate non-financial information, which includes strategies and initiatives to achieve sustainable growth in environmental, social, and governance (ESG) areas, and disclosing financial information in our Annual Review and Shareholder Information. Please see our corporate website for the most detailed and complete information.

 **Financial & non-financial data**
<https://en.ccbj-holdings.com/corporate/download/> 



Non-financial information



 **CSV Report:**
Complete edition (PDF)/Digest edition
<https://en.ccbji.co.jp/csv/doc.php> 

Creating shared value (CSV)



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

- CSV Goals
- Initiatives by CSV priority issue (details)
- ESG data
- CO₂ emission results based on GHG protocols
- External evaluation
- CSV news

Financial information



 **Annual Review**
<https://en.ccbj-holdings.com/ir/library/> 

Investor relations



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

- IR news
- IR library
- IR events calendar
- Shareholder and stock information
- Corporate governance
- Disclosure policy
- Analyst coverage
- Inclusion in SRI index
- Investor relations mail alert

Plant Tours

CCBJI offers plant tours to help customers become more familiar with The Coca-Cola Company's products. Guides will introduce the origin and history of Coca-Cola, as well as the plant's quality control and environmental efforts. You will also be able to see the plant's impressive production lines. Please come visit!



For more information on reservations, please check our website.

<https://en.ccbji.co.jp/plant/>



Zao Plant

1-1 Minamikawazoe, Miya,
Zao-machi, Katta, Miyagi



Tel. 0224-32-3505

Open: Monday through Friday and occasionally
Saturday, including holidays
(excluding temporary closures)

Tokai Plant

266-18 Tonowari,
Minamishibata-machi, Tokai, Aichi



Tel. 052-602-0413

Open: Monday through Friday and occasionally
Saturday, including holidays
(excluding temporary closures)

Tama Plant

1-2-9 Nobidome,
Higashi-Kurume, Tokyo



Tel. 042-471-0463

Open: Monday through Friday and occasionally
Saturday, including holidays
(excluding temporary closures)

Kyoto Plant

128 Tai Shinarami, Kumiyama,
Kuse, Kyoto



Tel. 0774-43-5522

Open: Tuesday through Sunday, and
Monday if it is a holiday
(excluding temporary closures)

Ebino Plant

1321-1 Aridome, Higashikawakita,
Ebino, Miyazaki



Tel. 0984-25-4211

Open: Tuesday through Sunday, and
Monday if it is a holiday
(excluding temporary closures)



Masao Aoki

Professor, Mie University,
Faculty of Humanities,
Law and Economics

As a specialist in business administration, business history, and R&D management, I address what defines good management and explore the independent identities of corporations, including the roles that they fill in society, while I research how society can become better through its companies. PhD graduate (2002) of the Ritsumeikan University Graduate School of Business Administration.

I have great respect for the manner in which the CCBJH Group has sincerely addressed creating shared value (CSV) and the way their various efforts have built upon each other. This report presents the CCBJH Group’s path toward creating value in cooperation with society (value creation story), its specific initiatives (actions toward creating value), and what supports those initiatives (foundation for value creation). This clarity gives me confidence that the company is achieving what it says it is.

Recently, more companies are being expected to proactively address corporate social responsibility (CSR) and the SDGs. Many of them are still prone to handling this in the form of “social contribution,” without demonstrating a relationship between their business development and CSR or the SDGs. This may be because they have not yet been able to move beyond the idea that financial gain and social gain are not mutually exclusive.

With that in mind, it is important that the CCBJH Group shows how CSV aligns with their business and results. They have made it possible for readers to look at the company more objectively by including the process through which they chose their three platforms—Inclusion, Communities, and Resources—and identified their nine material issues, as well as by both highlighting their CO₂ emissions accounting process and receiving third-party independent assurance for the results.

It would, however, further strengthen the integrated aspect of the report, if it were clearer that the success of the CSV Goals is linked to the achievement of the mid-term strategic business plan’s financial metrics.

The CCBJH Group acknowledges that business as usual will not result in creating the value necessary to build a better future, and I look forward to what their persistently adventurous spirit will achieve.



CSV Report 2020 survey

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



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

[https://form.ccbji.co.jp/form/
csv2020_en](https://form.ccbji.co.jp/form/csv2020_en)



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Minato-ku, Tokyo 107-6211

For inquiries:

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

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

