Bottling plant tours

We offer plant tours to help our consumers become more familiar with the Coca-Cola Company's products. We will introduce the origin and history of Coca-Cola, as well as our quality control and environmental efforts. You will also be able to see the plant's impressive production lines. In 2016, we had 58,000 visitors to our plants.

To make a reservation, please call the plant directly. We look forward to seeing you!









For inquiries regarding this report, contact:

Coca-Cola Bottlers Japan Group

Coca-Cola East Japan Co., Ltd.

Sustainability Management Corporate Communications

3-13-6 Moriyacho, Kanagawa-ku, Yokohama, Kanagawa 221-0022 Japan Tel. 045-620-8187



https://www.ccej.co.jp/en/





















Sustainability Report





What does sustainability mean to CCEJ?

People are increasingly acting based on the probable state of the world in ten, twenty and a hundred years' time.

At Coca-Cola East Japan (CCEJ), sustainability has been central to our thoughts and actions since our founding.

While there is no one easy answer, we are taking new strides toward the goal of a sustainable society.

So let's take a look at CCEJ's sustainability.



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Editorial policy

At Coca-Cola East Japan, we believe we can help build a more sustainable future through our beverage business. In this report, our aim is to communicate our vision of sustainability to our stakeholders, namely our local communities, consumers, suppliers, business partners, shareholders, investors and fellow employees.

- Referenced guidelines
 Global Reporting Initiative (GRI) Sustainability Reporting Guidelines
 version 4.0
- As a general rule, this report covers activities between January 2016 and the end of April 2017. Data is for the period from January 1, 2016 to December 31, 2016.

Scope of the report

Data presented in this report relating to production, distribution and transportation, sales, and collection and recycling was collected from Coca-Cola East Japan Co., Ltd. and its affiliated companies.

- Date of issueJuly 2017
- Terminology

"Coca-Cola East Japan Co., Ltd." (CCEJ) refers to the company itself, while the "Coca-Cola East Japan Group" (CCEJ Group) refers to "Coca-Cola East Japan Co., Ltd." and all its wholly-owned subsidiaries (FV East Japan Co., Ltd. and Mikuni Service Co., Ltd.). "Bottlers" refers to all bottling partners throughout Japan, as designated by Coca-Cola (Japan) Company, Limited. "Coca-Cola system" comprises "Coca-Cola (Japan) Company, Limited," its bottling partners and other affiliated companies. CCBJI refers to "Coca-Cola Bottlers Japan Inc.," which was formed when Coca-Cola West Co., Ltd. (CCW) and Coca-Cola East Japan Co., Ltd. integrated in April 2017.

Sustainability means becoming a company needed by society.

Upon hearing the word "sustainability," you may feel it is something large and unrelated to yourself. At CCEJ, we believe, however, the results of our daily efforts are what lead to true sustainability. For example, providing the moments in which *Coca-Cola* makes people smile is an important part of our sustainability.

What can we do so people always feel safe drinking our products? What can we do so anyone can easily enjoy our beverages anytime and anywhere? CCEJ aims to continue to be a company needed by society, so we are always listening to our consumers and supporting our society.















Our product initiatives

At CCEJ, we offer a wide range of products that are specially designed to accommodate the preferences of our consumers. Because we see every interaction as an avenue for communication, we have established a system to swiftly respond to and deal with consumer and customer feedback, inquiries, and concerns. We use this feedback to take solid steps in the safe manufacturing of our products. This is founded on our belief that delivering safe, high-quality products builds consumer and customer trust.

> Main product line-up

Sparkling soft drinks

Juice and juice drinks

Our focus on quality means great taste

We continually strive for product quality and safety by adhering to international standards such as ISO standards, as well as KORE* (KO Operating Requirements), which are used globally throughout the Coca-Cola system. We deliver refreshing moments via safe and high-quality services by meticulously controlling operations from the procurement of raw materials, through production, and right until our products reach consumers.

* Internal standards concerning quality, food safety, environmental protection and occupational health and safety. These are upheld at every step in the process, including the procurement of raw materials, production, distribution, transportation, sales and product delivery.



Production from start to finish



Under the Coca-Cola system we only procure raw materials from suppliers who comply with our Supplier Guiding Principles*. We also re-inspect the quality of all raw materials after procurement.

* These are the basic principles based on regulatory observance that we expect our suppliers to follow. We also regularly conduct inspections in accordance with these principles.

standards with which

we comply



The quality of the contents and containers, the fit of the labels, and so on is checked both visually and by machine. Only qualified employees who have passed a company prescribed vision test are responsible for visual inspections of bottled



This is the process whereby we purify our most precious natural resource. We obtain the crisp and clean tasting water we require for our beverages by purifying raw, quality-controlled water with several ultra-fine filters to exhaustively remove impurities.



This is the process of putting the beverages into cans and bottles. The whole process from filling to capping takes place within a sterile



We sterilize all of the water and containers we use. The water is heated then cooled in a sterilization machine. We sterilize bottles and caps, and the inside and outside of cans before an additional cleaning process.



Our vending machine initiatives

At CCEJ, we believe vending machines are a key piece of infrastructure for serving delicious beverages, anytime, anywhere, and to anyone. We are meeting the diversifying needs of our consumers through the more than 550 thousand vending machines (including coolers and drink dispensers) we have in the market. As well as promoting environmentally friendly initiatives, like reducing our energy consumption and CO₂ emissions, we are also taking advantage of the convenience of vending machines by supporting disaster relief initiatives, such as dispensing products to those adversely affected by major disasters.

Bright and attractive

During emergencies, the digital bulletin board displays disaster-related information.

When disaster strikes, our vending machines step up

We are helping those adversely affected by major disasters such as earthquakes through equipping our vending machines with digital notice boards to convey disaster information, and the ability to dispense the beverages they contain for free. We provided beverages at emergency gathering points to people stranded after the 2011 Great East Japan Earthquake.



Diversifying vending machine offerings for women

In 2016, we designed a vending machine to meet the needs of women and installed the first one in Chiba. The driving force behind this development was the fact that men were making significantly more purchases from vending machines than women. Even in areas with high use by women, vending machine designs had not accounted for female preferences.

In designing these new vending machines, we feature more kinds of tea, water, and juice and juice drinks in line with female customers' general preferences, and a selection of beverages at room temperature that will not chill the customer's body or leave bags damp with condensation. We will continue to refine our vending machines to better meet consumer needs so even more people can enjoy our Coca-Cola products.

Products that women look for

> Includes room temperature beverages

Cooling operation is stopped for a maximum of

0

16 hours per day

> Drinks are cold at all times for 24 hours

Helping save our planet: "peak shift" vending machines

Since 2013, we have been deploying "peak shift" vending machines, which can reduce peak electricity consumption by a maximum of 95% compared to previous models. As of the end of 2016, we had deployed 75,063 of these "peak shift" vending machines in the market.

Moreover, eliminating hydrofluorocarbon (HFC) refrigerants from our machines is an important element of reducing our CO₂ emissions. We plan to have all of our vending machines HFC-free by 2020.

Number of "peak shift" vending machines

75,063





(+10,941 vs. 2015)



CO₂ emissions





A handy mirror and drinking straws are provided as well!

Peak electricity consumption is reduced by

95% at the maximum





What is winter flooding?

In order to preserve our most precious natural resource, we are working toward the Coca-Cola system's goal of attaining water neutrality by returning 100% of the water we use in our manufacturing to nature. At our plants, we find ways to efficiently reuse water and reduce the amount we use. We also believe protecting water resources around our factories is of utmost importance, so we are passionate about initiatives—through partnerships with local communities and experts—to foster sustainable water resources. Let's look at one such

Winter flooding is

a farming method in

which post-harvest rice

fields are filled with water

throughout wintertime.

Kazuhiro Shiowaki

initiative in Ebina, a city near Tokyo.

Winter flooding benefits

If the rice field is filled with water...

Biodiversity increases

Weed growth is suppressed

The soil becomes fertile

The water soaks into the soil...

and is filtered on its way down...

to collect as clean groundwater.

Locally led

water conservation initiatives

Ebina, the site of our Ebina Plant, is a city in Kanagawa and an urban agricultural area blessed with wide flat land and abundant water from the Sagami River. The left-bank side of the Sagami River provides the water for the Ebina Plant. We are actively engaged in protecting this water resource through an agreement with Kanagawa.

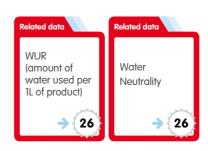
At CCEJ, we value initiatives that fit best with local characteristics. This led us to focus on an effective water resource conservation method in Ebina known as winter flooding. We first got involved in this initiative—whereby post-harvest rice paddies are flooded and carefully managed—in 2015.

The reason for starting the initiative was to prevent freezing of irrigation channels and accumulation of rubbish in the fields. Mr. Kazuhiro Shiowaki, an engineer for the Sagami River Left Bank Land Improvement District, which is responsible for managing irrigation channels in the area, explained that "The initiative started ten years ago, but the reason we have been able to keep it going so long is because of all the benefits water provides."

Matching our strengths for mutual benefit

CCEJ, pursuing ways to preserve local water resources, reached out to the community group and they started collaborating in 2015. "The PR reach of a global company is really on another level. They can let the whole world know about an initiative in one small community—it's amazing. We're counting on CCEJ's PR strength and environmental conservation program efforts to expand this initiative in the future."

Mr. Shiowaki continues: "Because we are dealing with nature, it is difficult to achieve drastic change in a few



years. That's why long-term collaboration with a partner like CCEJ, with a shared interest in protecting our ground-water for the future, is vital for passing on beautiful rice fields to the generations to come."

A shared vision for the future

Starting last year, we enlisted the help of Associate Professor Katsuhiro Sasada of the Nihon University College of Bioresource Sciences to further understand winter flooding and expand the initiative.

"There are numerous benefits to winter flooding," explained Professor Sasada. "First, there is the environmental conservation aspect. Rice fields that are in a wetland state throughout winter become a habitat for a variety of aquatic life. These attract migrating waterfowl, thereby helping increase biodiversity. Also, the impact on groundwater recharge cannot be understated. The water soaking into the soil is filtered over time, replenishing aquifers with clean water. There are merits for agriculture too. Flooding the fields means the organic matter in the soil holds together better, maintaining a high nutrient content. Over winter, natural soil enrichment takes place, meaning farmers need less fertilizer and pesticide. Additionally, thanks to the water cover, it's hard for weeds to take root and the softer soil makes tilling easier."

Winter flooding in Ebina is still in its early stages, but inspired by the shared dream of a brighter future, CCEJ is excited to continue cooperating in this initiative.



Community Sustainable Agricultu

What's the connection between Sokenbicha tea leaves, cows, and a community?



Zao, in the Katta district of Miyagi, is the home of CCEJ's Zao Plant, and a scenic travel spot and agricultural town surrounded by abundant nature. In Zao, we are working on an initiative to effectively utilize previously discarded tea leaves and whey in partnership with the Zao Dairy Center and the Zao municipality.

Here we'll introduce an initiative that aims to both lighten the environmental footprint of our Zao Plant and revitalize the local community.

Born from the desire to reduce waste

The Zao Plant started production in 1996 under the former Sendai Coca-Cola Bottling Co., Ltd. It now produces about one hundred types of Coca-Cola products, focusing on teas—led by *Sokenbicha*. Previously, the used tea leaves from our *Sokenbicha* production and the leftover whey from Zao Cheese production at Zao Dairy Center were transported outside of Zao for disposal as industrial waste. Nevertheless both tea leaves and whey are high in nutrients, so the Zao Plant (under Sendai Coca-Cola Products at the time) started joint research in 2008—together with the Zao Dairy Center, the municipality and dairy farmers—into effectively utilizing these local resources as animal feed. The result was the creation of a new eco-feed*1 for cattle in 2010, made from Zao's high quality pasture, used tea leaves, and whey.

Reducing waste brings greater possibilities

We found that cattle raised on our eco-feed had high levels of oleic acid, which is said to be an indicator of delicious taste. So the delicious and environmentally friendly beef from the cattle raised on our eco-feed became known as Zao Sosei beef, and in coordination with our partners we started working to make it a local specialty. The initiative that began with raising Zao Sosei cattle on *Sokenbicha* tea leaves has expanded to include a family tour of Zao tourist spots, our bottling plant and the

dairy, paired with a meal of Zao Sosei beef; Zao Sosei beef in school lunches and as a subject of social studies classes; and collaborations with local restaurants and stores. The initiative has thus gone far beyond waste reduction and is garnering attention as a community revitalization project. The Zao Dairy Center, Zao municipality and CCEJ earned recognition for the initiative at the 4th Food Industry *Mottainai* Awards*2 in February 2017.

The Zao Sosei beef initiative has enormous potential for revitalizing a local community while being kind to the environment. We will continue to work with the people of Zao to achieve a society where all resources are used and reused in a sustainable manner.

^{*1} 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.

^{*2} Awarded by the Japan Organics Recycling Association and co-sponsored by the Food Industry Affairs Department of the Ministry of Agriculture, Forestry and Fisheries. Publicly recognizes food industry companies, or individuals, groups or companies supporting or promoting sustainable initiatives in the food industry, that have had significant contribution in areas such as reducing energy or CO₂, reducing/recycling waste, or environmental conservation education or promotion. The award's aim is to further publicize initiatives throughout the food industry that relate to themes such as countering climate change, promoting smart energy use and reducing food loss.

Supporting local initiatives one community member at a time

As a bottling company with deep local connections, CCEJ is expanding our sphere of activities by collaborating with experts at NPOs and NGOs to solve issues in our communities.

Helping youth through the **Challenge Internship Project**

We have been supporting youth learning experiences since 2016. As part of this, we are supporting the Fukushima Prefecture-sponsored Challenge Internship Project, which is run by the Fukushima Community Organization Support Center. With the aim of getting youth involved in revitalizing Fukushima Prefecture, the project facilitates summer internships for mainly high school and university students at NPOs in Fukushima. This initiative supports the revitalization of Fukushima Prefecture in the wake of the March 2011 earthquake by helping students learn about solving community issues through practical experience. CCEJ has been involved in many aspects of the project. We will continue to enthusiastically support the activities of youth wanting to support their communities long into the future.

Opening Video from Internship Wrap-up Session







When revitalizing a community, such as when rebuilding after a disaster, the most important element is the hope of every single person who wants to support that community.

We will continue to be a good partner for local communities, listening closely to their concerns, in order to grow our initiatives in collaboration with government and civic groups.

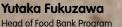


Our ideal process is face-to-face relationships: between our providing companies, ourselves and our recipients. We want to strengthen these relationships even more.

> **Reika Ito** Storage Manager

Food Safety and Hygiene

I want to see food bank initiatives gain support with other bottling companies and the whole beverage industry.



Corporate Communications

Donating our products

through food banks

of the Social Welfare Corporation

Children's Town (Kasukabe, Saitama)

A food bank is an initiative or group that provides food—still fit for consumption but otherwise destined to be thrown away—to people or organizations in need of it. The first food bank in Japan was started by our partner Second Harvest Japan (2HJ).

In April 2016, through 2HJ, we became the first Coca-Cola bottling company in Japan to provide products on a monthly basis to such an initiative. In the words of Mr. Fukuzawa, who started our food bank program, "Not only does donating products help our communities, but it reduces disposal costs and the volume of wasted stock in line with the Ministry of Agriculture, Forestry and Fisheries' policy on reducing food disposal losses. As of April 2017, we at CCEJ have given away a total of over 16,000 cases of beverages. Moreover, we were able to provide food—

through 2HJ—to those affected by a major earthquake in Kumamoto in 2016 from our in-house reserves."

In addition to 2HJ, we provide beverages through multiple food banks in eastern Japan to various social welfare groups and those in need. According to Ms. Ito of 2HJ, "Moving forward, we're excited for CCEJ to share information and know-how with us related to product storage, quality, and health and safety management."

In April 2017, CCEJ also entered into a full-scale partnership with the Food Bank All Japan Association and is expanding the reach of the product donation program.

To bring happiness to as many people as possible, we will continue donating to a stable supply of beverages for those in need.

Food Bank All Japan Association press release (In Japanese only)



Sustainability means cherishing people.

At CCEJ, we have over ten thousand employees. If each of our employees is not leading a fulfilling life then not only will we be unable to grow as a company, but we will be unable to make our stakeholders happy. Our employees are the driving force behind our sustainability. It is our responsibility as a company to empower our employees by providing them with opportunities for learning and growth, as well as a workplace in which they can thrive. This, we believe, is key to building a sustainable future.

Growing Opportunities by Leading in Diversity



20 -> Supporting employee work-life balance

Personnel
Policy details
(In Japanese only)







Nurturing global personnel

At CCEJ we aim to become a world-class bottling company to ensure our growth is sustainable. Nurturing and strengthening our global personnel is vital to achieving this aim. Therefore, we are proactively exchanging information and interacting with the global Coca-Cola system.

Shozo Takayama, Field Sales Operation (FSO) Metropolitan 1 Division, who was posted to Coca-Cola China (Taiwan Branch) in 2016, sat down with Miho Tanabe, a representative of our young employees, from the same division's Katsushika Sales Center, to share some keys to success in going global.

Please tell me how you ended up in Taiwan and about your work there.

At the time, I was in a coordination role in the commercial headquarters. My boss was Mr. Costin Mandrea, our General Manager. I had many opportunities to interact with our foreign staff and visitors from other countries. This gave me the dream of one day working overseas. I told my boss this in a career-planning meeting and it just so happened there was an opening for a marketing consultant in the Taiwan Branch. So I ended up working there for five months from April 2016.

I was previously involved in planning at the sales and planning department. Right before I transferred, I was helping establish a new sales channel, HORECA (hotels, restaurants and cafés). My marketing skills, honed through such work, are my strength. I put this strength to use at the Taiwan Branch, planning for the expansion of their share of the beverage market, deepening understanding of customers, helping colleagues to better their skills in data analysis and so on.





Ms. Tanabe's post-interview impressions

I clearly remember Mr. Takayama saying, "It's important to have your own strong point—a strength that becomes the cornerstone of your work." He also explained "Only you will know what your real strength is." When considering what I want to become in the future, I felt it was important to first set myself some goals.

Miho Tanabe

Chain Stores (CS) Tokyo 3 FSO Metropolitan 1 CS Region FSO Metropolitan 1 Division Field Sales Operation

Could you give CCEJ's younger employees some advice

SI 5 8

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33



Did you gain any new insights in Taiwan?

All twenty-five members of the marketing team I was assigned to, including the manager, were women. However, in Taiwan this is not unusual. Many mothers and wives work. I think Japan has something to learn from Taiwan in terms of utilizing women in the workforce.

Also, during the conversation with my boss I mentioned earlier, he said something that really struck a chord with me: "When working overseas it is important to respect that country's culture and people." Taiwan has a friendly relationship with Japan and many Taiwanese know a lot about Japan. To get to know my Taiwanese colleagues better I always started with respect for them

In our daily communications I got them to interpret Mandarin into English. I did a lot of English study, but to be honest, I feel with languages, where there is a will, there is a way.

I started my career at Coca-Cola twenty-odd years ago as a vending machine sales & service representative. At the time, I never even considered working overseas. As our organization became more global after becoming CCEJ, I started to think I might be able to work overseas in the same way foreigners were coming to Japan.

I believe both people and companies are full of unlimited potential. We can choose our careers and environment. I want to encourage our younger employees to actively take on challenges. I want them to expand their skills and experience through their work.

Currently I work side by side with a number of colleagues in the Tokyo and Kanagawa area as a field business manager. I want to pay back the Coca-Cola system for all the opportunities they've given me by nurturing personnel and leaders who can thrive in Japan and overseas. I will put all my effort toward assisting the growth of employees with skills and ambition regardless of age, sex or race.





Supporting employee work-life balance

Workplace Womer

At CCEJ, we have a range of systems to support all employees in balancing their private lives and their jobs, and working productively and efficiently. Our diversity team, GOLD, which is now in its fourth year, is expanding its activities to encompass the whole company by involving men as well as women.

Takuya Furuike from the Human Resources department took 41 days leave upon the birth of his first child. After that experience, he shared with us some insight on achieving a healthy work-life balance.



Taking the **time to live life**

My daughter was born in April 2016. I took about two months leave in July and August 2016 because I wanted to treasure this precious time in our lives. Taking leave enabled me to spend a lot of quality time with both my wife and my daughter, and we were able to do things like go out as a family. We were also able to travel the distance needed to see my grandmother and introduce her to the new baby. This would not have been possible while working.

I talked with my boss about wanting to take time off several months before my daughter's birth. My boss really supported me, saying "It will be an irreplaceable experience," and my team also cooperated wholeheartedly to make this happen. I feel this experience was only possible because of the supportive culture deeply rooted at CCEJ.



From Mr. Furuike's wife

During his time off, my husband was great at helping with chores and caring for our daughter, doing things like changing diapers and bathing her. I appreciated that he made it possible for me to have some time to myself. He is a kind dad who loves his family.



Recruitment At least 50% of recruitment candidates are women

Employment 20% of permanent employees are women

Talent development 100 female managers

Work-life All male employees expecting a child are

aking childcare leave

Ideal state in 2020

GOLD: Growing Opportunities by Leading in Diversity

In 2016, our diversity team, GOLD, was active on a range of fronts. We held a forum for female employees and awareness training for managers, encouraged male employees to take childcare leave, and expanded our range of facilities for women as part of creating a better work environment. These initiatives were in line with GOLD themes: changing how female employees think; changing how managerial/male employees think; strengthening female talent pipelines; and developing infrastructure.

The importance of accepting diverse work styles

Taking this leave, I was reminded of how many work styles there are. In my case, I took time off to help look after my daughter. There are also cases where someone might have to change work styles for a reason such as caring for a family member. When talking about diversity, often the tendency is to focus solely on women. I think real diversity actually entails a variety of work styles to enable every employee to do her or his best while maintaining a healthy private life. At CCEJ, we have various systems to support our employees, such as flextime and shorter hours for working parents. Through this interview I hope other employees here at CCEJ find out more about these styles of work. If so, I will be happy to have helped bring about the diversity CCEJ is aiming for.



WORK

Related data

Employee data (consolidated)

→ 27



From Mr. Furuike's senior colleague

Mr. Furuike has been an inspiration to his colleagues in the bold way he turned change into an opportunity. Since returning to CCEJ, he has been taking into account not only his colleagues' work but also their lifestyles, leading his team with great respect for others.

Message from the President











Our business environment in Japan is a challenging one, since it combines an aging population, a low birth rate and a mature market. We have succeeded, however, by transforming our business at an unprecedented speed and by seeing any adversity as a chance to advance our sustainability. To build a brighter future, we believe it is vital to flexibly adapt to changes in our business environment through unprecedented innovation.





We pride ourselves in the role we play in passing on a beautiful environment, vibrant local communities and healthy lifestyles to the next generation. We promise to continue protecting precious resources and expanding our range of locally focused environmental conservation initiatives in partnership with our communities. Moreover, we aim for every employee to have a healthy work-life balance because people are the foundation of sustainable corporate growth. We believe that creating a workplace in which our employees feel they have purpose and can pursue their dreams increases our competitiveness. That is why, in recent years, we have been strengthening our professional development initiatives in each department and training our workforce to global standards. Additionally, we are making reforms with better consideration for work-life balance so employees can choose the most productive manner of working according to where they are in life.









On April 1, 2017, CCEJ merged with Coca-Cola West Co., Ltd., which encompasses the Kinki, Chugoku, Shikoku and Kyushu regions of Japan, and both became part of the newly formed Coca-Cola Bottlers Japan (CCBJI) Group. These organizational changes do not, however, alter any of our goals.

We will create value and grow sustainably by investing in environmental conservation, in our communities and in improving our workplaces with the aim of strengthening our core business—the production and sale of beverages. Building on all our experience and know-how, we will continue our corporate growth through efforts to overcome various social issues. Without fearing change, we will attempt to create new value that contributes to the development of local communities and the happiness of our consumers. As a unified group, we are driven to be a leader of the Japanese beverage industry. We will continue to work relentlessly through our business activities to achieve a sustainable future, cooperating with and listening to our communities.



Representative Director and President Coca-Cola East Japan Co., Ltd.









About CCEJ Group

CCEJ Group accounts for roughly half the Coca-Cola system's annual sales volume in Japan, making it Japan's largest Coca-Cola bottler. In April 2017, we became a part of the CCBJI Group and through rapid integration and investments in people, processes and systems we will achieve even further innovation.

Number of employees
(full-time, temporary and contract employees)

Approx.

¥572.4
billion

Number of beverage brands

Over 50

Annual sales volume (BAPC)

Approx.

317.99

million cases

and household numbers of the "Basic Residents Registration" as of Jan. 1, 2016 and "Population movement by prefecture" from 2015 (total)

Sales area

Tokyo, Kanagawa, Shizuoka, Yamanashi,
Aichi, Gifu, Mie, Saitama, Gunma,
Niigata, Chiba, Ibaraki, Tochigi, Miyagi,
Fukushima, Yamagata

Population of sales area

Approx.

Population calculations based on the population

Approx. **180**

Logistics centers/ sales centers

Number of customer outlets

Over

200,000

stores or restaurants selling our products

Number of installed vending machines, coolers and dispensers

million people

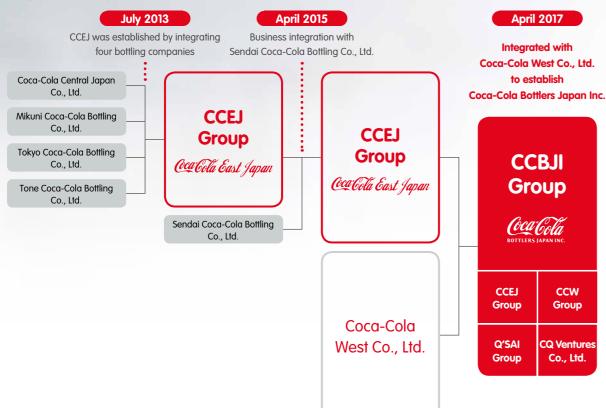
Over **550,000** units

Plants

Zao Plant, Ibaraki Plant, Saitama Plant,
Iwatsuki Plant, Tama Plant, Ebina Plant,
Hakushu Plant, Tokai Plant

As of December 31, 2016

Corporate history



Company overview (as of April 1, 2017)

Trade name	Coca-Cola East Japan Co., Ltd.
Group companies	FV East Japan Co., Ltd.; Mikuni Service Co., Ltd. (Coca-Cola East Japan Products Co., Ltd. merged into Coca-Cola East Japan Co., Ltd. in October 2016.)
Headquarters address	Kokusai Shin-Akasaka West Building, 6-1-20 Akasaka, Minato-ku, Tokyo 107-0052
Representative	Tamio Yoshimatsu, Representative Director and President
Business activities	Production, processing and sale of soft drinks
Date of establishment	June 29, 2001 (Trade name changed to Coca-Cola East Japan Co., Ltd. on July 1, 2013)
Capital	6,499 million yen (as of December 31, 2016)

COCA-COLA, COCA-COLA ZERO, COCA-COLA PLUS, GEORGIA, SOKENBICHA, KARADA MEGURI-CHA ADVANCE, KARADA SUKOYAKA-CHA, NIGORIHONOKA, AYATAKA, TSUMUGI, KOCHAKADEN, TAIYO NO MATECHA, AQUARIUS, AQUARIUS ZERO, FANTA, SPRITE, REAL GOLD, QOO, MINUTE MAID, I LOHAS, YOGUR STAND, WORKS, and DR PEPPER are registered trademarks of The Coca-Cola Company.

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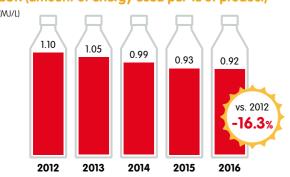
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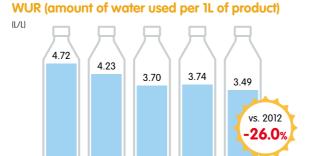
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Environmental performance

EUR (amount of energy used per 1L of product)





2014

Percentage of HFC-free vending machines

CO₂ emissions

(421,400 tons* in 2016)

 * CO $_{2}$ emissions produced across all divisions (manufacturing, logistics, market, and office)

-27.5%



63.0%

2015

2016

Water Neutrality

Percentage of water used in product manufacturing returned to nature (2016)





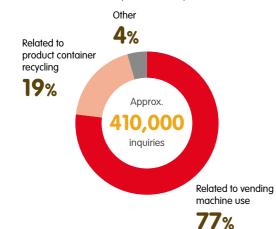
143%

At CCEJ, we have a goal for the year 2020 of returning to nature the same amount of water as we use in our products. In 2016, through community water preservation activities such as tree planting and tree thinning, we returned 143% of the water we used in our products, surpassing our goal for the year.

* Except for water neutrality, calculations reflect performance data from plants and other initiatives undertaken in the current CCEJ business area for each year starting in 2012. Pre-integration data was factored into the calculations.

Consumer response

Customer & consumer inquiries and requests



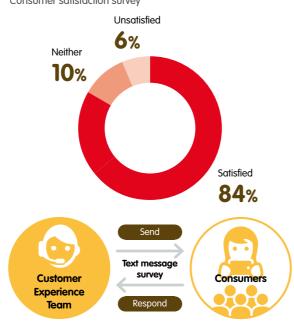
Consumer satisfaction survey

2012

in the market

(2016)

2013



Financial information Operating profit*/Operating profit margin* Revenue 2016 Operating profit 2016 ¥20,168 ¥572,496 million million 2015 2015 ••••• ¥563,162 millio 2016 ¥11,902 million Operating profit 2015 margin 2.1% 3.5% Net income attributable to owners of parent ¥10,718 million 200,000 ¥5,354 million

International standards with which we comply

management system

Quality management system	ISO 9001
Environmental management system	ISO 14001
Food safety management system	FSSC 22000
Occupational health and safety management	OHSAS 18001
Customer complaint	ISO 10002

(JIS Q 10002)

Employee data (consolidated)

(as of December 31, 2016)

8,547	Male	Number of employees*1	
2,124	Female	Number of employees.	
11.1 years old	4	Average age	
16.8 years		Average length of service	
1,071		Number of employees in managerial positions	
47	tions	Number of female employees in managerial positions	
760	sitions	Number of female employees in general office positions	
45		Number of employees making use of childcare leave system	
120	016)	Number of employees promoted from non-permanent employment (throughout 2016)	
50		Number of retirees rehired	
79.48%	S*2	Retention rate of entry level hires after three year	
1	ve	Number of employees who took nursing care le	

- * 1 The number of employees includes full-time, temporary, and contract employees.
- *2 This percentage is obtained from the ratio of employees still employed at the end of 2016 out of all those newly hired in 2014.

s) (27)



Environmental policy

Basic Philosophy

The Coca-Cola East Japan Group will contribute to building communities that are rich in nature. We commit to being a responsible corporate citizen, paying careful attention to the environmental impacts of our business, while simultaneously working with local communities and stakeholders to promote environmental protection.

Guiding Principles

To achieve the Basic Philosophy, the Guiding Principles are defined as follows.



We comply with the laws and regulations, ordinances, conventions and voluntary guidelines in relation to the environment.



We try to reduce the use of energy and our impact on the environment, prevent pollution, and give thoughtful consideration to the environment.

3 Investing in the environment

We invest appropriate management resources to promote the 3Rs, the "Reduce, Reuse and Recycle" policy.



We embrace communication with our communities, and play an active role in helping people understand the importance of environmental protection.

5 Implementing environmental education We provide educational programs to enhance the environmental awareness of those who are involved in the business activities of the Coca-Cola East Japan Group, as well as the members of the communities we serve.

6 Revising the framework

We review our environmental-related goals and management systems regularly and on an as-needed basis to continuously make them better.

This Environmental Policy is communicated to all the Coca-Cola East Japan Group employees as well as to the public.

April 1 2017

Tamio Yoshimatsu

Representative Director and President Coca-Cola East Japan Co., Ltd

Management policy

Ethics and compliance

In order to be a sustainable company, all employees must uphold the highest standards of ethical business conduct. The "Code of Business Conduct" outlines the obligations and responsibilities of the Group employees and the Company is implementing educational activities to raise awareness of regulations and ensure compliance throughout the Group. For example, in 2016, the Company provided continuous learning opportunities through distributing monthly compliance topics in a quiz format to all employees. The Ethics & Compliance Committee is convened periodically to determine measures for raising compliance awareness and to discuss and determine measures to prevent the recurrence of compliance issues. The Ethics &

Compliance Committee met four times in 2016.

The Company provides education and training to newly appointed managers and new employees according to their position and experience in order to enhance the level of compliance throughout the Group. The Company has put in place systems so that matters that may involve violation of laws and regulations arising in the course of business activities can be dealt with swiftly. For example, the Ethics & Compliance Reporting Hotline, in-house and at an external legal counsel's office, can be accessed directly by email and through a telephone hotline by those seeking advice.

Information security

Under an established Information Security Policy, the Company is continuing to develop and strengthen information security frameworks while focusing on integrating the whole operation and information technology infrastructure

into CCBJI. We are also working on concrete measures to counter cyber threats that are expected to increase related to our important responsibility of providing beverages during major international sporting events in 2020.

Risk management

As the core elements of the company-wide risk management strategy, the Company has established and is operating the following systems:

- 1. Enterprise Risk Management (ERM)
- 2. Incident Management & Crisis Resolution (IMCR)
- 3. Emergency Planning (EP)
- 4. Business Continuity Planning (BCP)

For each system, the Company is planning and implementing communication and training programs, upgrading manuals/rules/standards, and investing in required management resources in conjunction with the Board of Directors, so that related departments, the management, employees and business partners can conduct risk management activities autonomously.

