

1 Coca-Cola Bottlers Japan Holdings Inc.

	Companies' approach
① Background and purpose of accounting	- Coca-Cola Bottlers Japan Inc. (CCBJI) is one of CCBJH group companies that manufactures, transports, sells, collects and recycles Coca-Cola brand products. It is the largest bottling company in Japan, operating business across Tokyo, Osaka, Kyoto and 35 prefectures. In pushing forward the initiatives to reduce GHG emissions, CCBJI is working closely with Coca-Cola (Japan) Company to promote and implement effective strategies formulated in reducing amount of GHG emitted from overall supply chain-related activities (referred to as “supply chain emissions” hereafter) performed within the Coca-Cola System in Japan*. (*For more information on the Coca-Cola system in Japan, check slide 5_Appendix) - We intend to continue examining the most effective ways of reducing GHG emissions and sharing with our stakeholders the results of our emissions that we grasp through our efforts to visualize how much GHG we are actually emitting.
② Utilization of accounting results	- We disclose information regarding our GHG emissions through various means, including CDP (Carbon Disclosure Project), DJSI (Dow Jones Sustainability Indices), our website and publications, such as, the CSV Report. - We use accounting results to examine concrete measures to reduce GHG emissions.
③ Benefits of accounting	- The efforts to visualize the amount of GHG emitted in each process of the product life cycle have given us the visibility over specific areas where CCBJH group and the Coca-Cola System in Japan as a whole could independently work on further reducing the overall GHG emissions. - As the accounting results enable us to know which categories have high environmental impact, we now have a clear idea of the challenges where we should focus on going forward.
④ Internal system for accounting	- CSV Promotion Department in CCBJI, the core company of CCBJH group’s beverage business, is taking the lead in data collection and accounting of GHG emissions, coordinating with relevant departments in all divisions including manufacturing, logistics, and sales equipment. - Some metrics listed in the CSV Report* are backed by a limited third-party warranty on the validity of the accounting.

* URL: https://www.ccbj-holdings.com/csv/pdf/csv_report_2022.pdf

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⑤ Efforts to reduce supply chain emissions	● In October 2021, the Coca-Cola System in Japan have set its targets to reduce GHG emissions across the entire domestic value chain by 50% in Scopes 1 and 2 and 30%* in Scope 3 by 2030. Our reduction targets on the total amount of GHG emitted directly or indirectly in the course of various activities performed within the Coca-Cola System in Japan have been set accordingly by science-based targets (SBT). By working on further reducing the total amount of GHG emitted in each area, we will actively contribute to achieve GHG emission reduction targets set by the Japanese government as well as to the collective efforts in addressing the climate change issues as a global company. *Reduction targets of each scope are based on the GHG emissions in 2015 ● In order to realize a sustainable society, we have defined in 2019 our own non-financial targets that we refer to as our CSV Goals, which consist of 8 categories including water, climate change, and World Without Waste. With respect to climate change, we have updated our own targets to align with the new targets defined by the Coca-Cola System. We now aim to reduce GHG emissions by 50% in Scopes 1 and 2, and by 30% in Scope 3, and are actively promoting our activities to achieve all these goals. Moreover, in 2022, we added another target aimed at reducing our GHG emissions to virtually zero by 2050 and are working progressively to achieve this goal as well. With respect to realizing a zero-waste society, we are promoting various activities, including the bottle-to-bottle initiative and other measures to accelerate the horizontal recycling of packaging materials aimed at achieving 100% sustainable material usage rate for all PET bottles by 2030.
⑥ Issues in supply chain emissions accounting	● Formulate long-term targets for 2030 and beyond and start working toward achieving these targets across the Coca-Cola System in Japan. ● Collect more accurate data by introducing a core system and improving the work efficiency such as data aggregation process.
⑦ Other (optional)	

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*Accounting period of GHG emissions data: January-December 2021

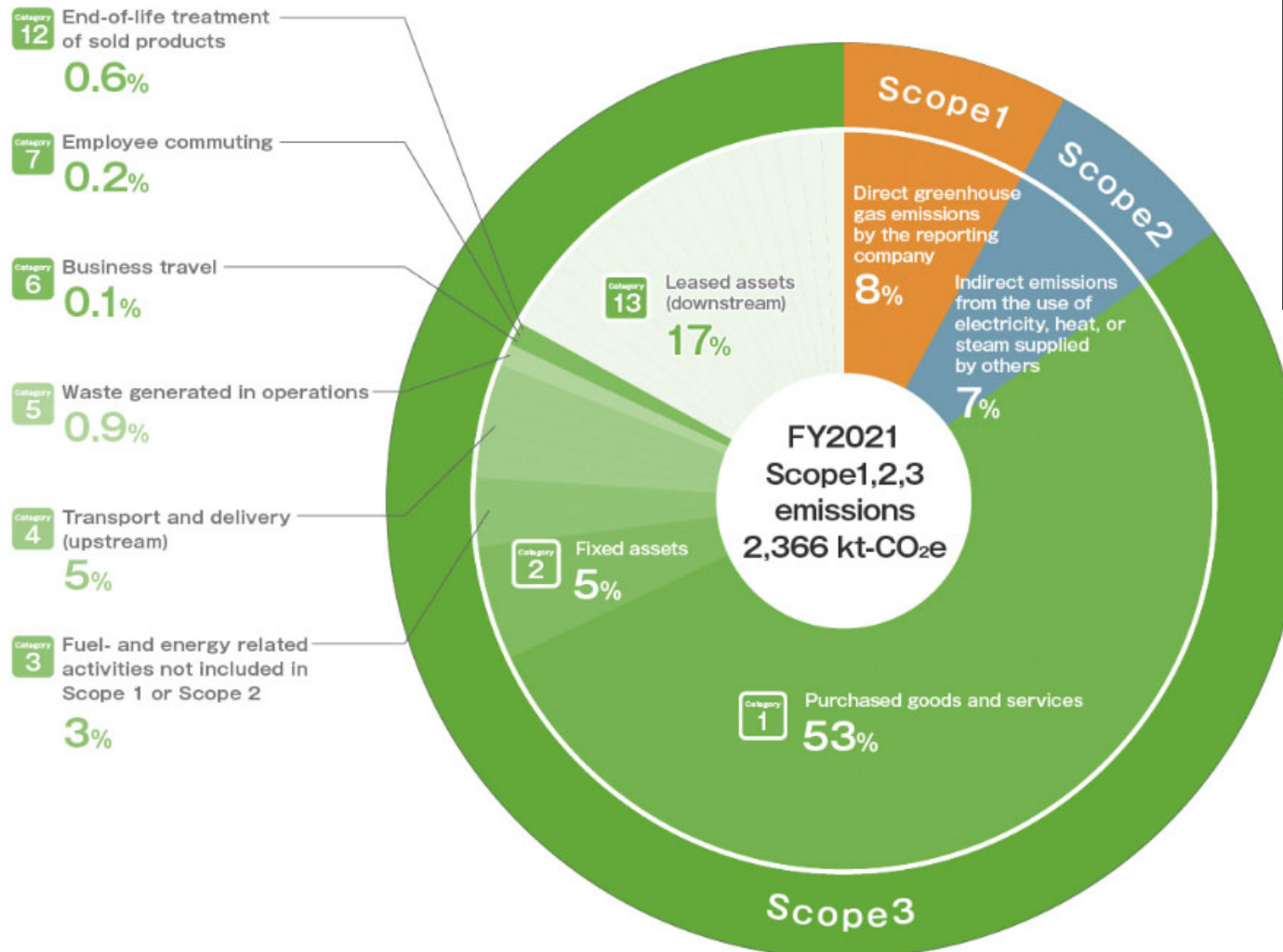
Category	Accounting methods *Accounting period : January-December 2021	
	Activity data	Emission factor
Category 1: Purchased goods and services	Procured raw materials (based on weight)	Based on The Coca-Cola Company's emission factor
Category 2: Capital goods	Amount of fixed assets (tangible and intangible) newly acquired in the current fiscal year	Emission factor according to price of capital goods (*1: Emission factor database <Ver. 3.2>)
Category 3: Fuel- and energy-related activities not included in Scope 1 or Scope 2	Amount of fuel, electricity, heat used	Emission factor for fuel procurement (*1: Emission factor database <Ver. 3.2>)
Category 4: Transport and delivery (upstream)	Amount of fuel used for outsourced transport	Source: the Greenhouse Gas Emissions Accounting and Reporting Manual Version 4.8 (Ministry of Environment and Ministry of Economy, Trade and Industry; January 2022)
Category 5: Waste generated in operations	Waste by weight or disposal fee	Emission factor for industrial waste based on an industry input-output model (*1: Emission factor database <Ver. 3.2>)
Category 6: Business travel	Employee transportation expenses paid	Emission factor for transportation expenses (*1: Emission factor database <Ver. 3.2>)
Category 7: Employee commuting	Employee commuter expenses paid	Emission factor for transportation expenses (*1: Emission factor database <Ver. 3.2>)
Category 8: Leased assets (upstream)	N/A	N/A
Category 9: Transport and delivery (downstream)	N/A	N/A
Category 10: Processing of sold products	N/A	N/A
Category 11: Use of sold products	N/A	N/A
Category 12: End-of-life treatment of sold products	Reported amount by weight of containers and packaging recycled, according to the Recycling of Containers and Packaging Act	Emission factor for waste by type and treatment method (*1: Emission factor database <Ver. 3.2>)
Category 13: Leased assets (downstream)	Amount of electricity used by the company's sales equipment (vending machines, coolers, dispensers)	Emissions from electricity use is calculated by multiplying the annual electricity use of one sales equipment by the number of vending machines in operation in the applicable fiscal year. (*2)
Category 14: Franchises	N/A	N/A
Category 15: Investments	N/A	N/A

*1: Emission factor database <Ver. 3.2> for calculating greenhouse gas emissions of an organization throughout supply chains. *2: The emissions factor for electricity is 0.433 kg-CO₂/kWh.

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Supply chain emissions : Accounting results



Results of GHG emissions (t-CO₂e)

Scope 1 :	188,371
Scope 2 :	167,343
Scope 3 :	2,010,358
Total :	2,366,072

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Appendix

<Overall View of Coca-Cola System>

