

This document is a summary translation of the Japanese language original version. In the event of any discrepancy, errors and/or omissions, the Japanese language version shall prevail.

Securities code: 2579

March 4, 2022

NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

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

Dear Shareholders,

Thank you for your ongoing support and interest in our company. We extend our deepest sympathies to all affected by COVID-19. We also thank those working tirelessly to prevent the further spread of infection.

Last year we celebrated two milestones. First was the birth of Coca-Cola 135 years ago in Atlanta, Georgia. 2021 was also the 65th anniversary since the Coca-Cola business started full swing in Japan. At Coca-Cola Bottlers Japan Holdings Inc., we are making unwavering efforts to transform our business to recover from the pandemic's impact and return to a growth trajectory. We carry the DNA of the 12 predecessor bottling companies that overcame a number of difficulties by sticking to their beliefs and passions. We bring forward this determination and continue to push forward with our transformation to surpass the challenges.

Amid the prolonged uncertainty of the current environment, our business performance remains severe. However, we are taking swift action by investing in initiatives that mitigate short-term impact. We are also seizing opportunities to develop growth and efficiency as we work to respond to mid- to long-term changes in our business environment. Our key initiatives include evolving the vending operation model and optimizing logistics. We are working to streamline our supply chain system as well as raise efficiency through company-wide digital transformation. All this, plus promotion of new working styles exemplifies the steady progress of our ongoing efforts. I am confident that these actions are building a solid foundation, one we can leverage to recover and grow our business when market conditions normalize.

Furthermore, we are making steady progress towards our Environment, Society, and Governance (ESG) goals for sustainable growth. As part of our "World Without Waste" initiative, we continue to increase the use of sustainable materials for PET bottles and already achieved a 40% adoption rate ahead of the industry. As the Coca-Cola System in Japan, we have also announced targets to reduce greenhouse gas emissions across the entire value chain in Japan by 2030. For our ESG efforts like these, the past four years have seen us named to DJSI Asia Pacific, a leading ESG investment index. We also received an A- score in a survey on water security conducted by CDP, an international non-profit environmental organization.

We continue to provide a safe and secure supply of products while meeting the diversifying needs of our customers. We leverage the perspectives and ideas of our employees to further our business. Working as one team, we deliver happy moments to everyone while creating value. We will continue to move forward toward achieving sustainable growth.

Your continued support and guidance is greatly appreciated. We sincerely hope that COVID-19 infections subside as soon as possible, and we wish you the best of health.

Calin Dragan
Representative Director & President

This document is a summary translation of the Japanese language original version. In the event of any discrepancy, errors and/or omissions, the Japanese language version shall prevail.

Securities code: 2579

March 4, 2022

**NOTICE OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**

Dear Shareholder,

You are hereby notified of the Ordinary General Meeting of Shareholders for the fiscal year ended December 31, 2021 of Coca-Cola Bottlers Japan Holdings Inc. (the “Company”), which will be held as described hereunder.

In light of the ongoing concerns over the spread of the novel coronavirus disease (COVID-19), we ask you to refrain from attending the meeting, and to exercise your voting rights either by writing or via the Internet. Furthermore, to exercise your voting rights in advance either by writing or via the Internet, please review the attached Reference Materials for General Meeting of Shareholders and exercise your voting rights by 5:45 p.m., March 23 (Wednesday), 2022.

Sincerely yours,

Calin Dragan
Representative Director & President

 **BOTTLERS JAPAN HOLDINGS INC.**
9-7-1 Akasaka, Minato-ku, Tokyo

Matters Related to the Exercise of Voting Rights in Writing or via the Internet	
Exercise of voting rights by mail (writing) Please review the attached Reference Materials for General Meeting of Shareholders and indicate your approval or disapproval on the enclosed proxy voting form, and post it without affixing a postage stamp.	Exercise of voting rights via the Internet Please exercise your voting rights by the deadline.
Voting deadline Votes must arrive by 5:45 p.m., March 23 (Wednesday), 2022	Voting deadline 5:45 p.m., March 23 (Wednesday), 2022

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

MEETING AGENDA

1. Date and Time: 10:00 a.m., March 24 (Thursday), 2022 (Reception starts at 9:00 a.m.)

2. Venue: Ho-Oh-No-Ma (2F), Tokyo Prince Hotel
3-3-1 Shibakoen, Minato-ku, Tokyo, Japan

3. Agenda:

Items to be reported:

1. Business report and consolidated financial statements for the fiscal year ended December 31, 2021 (January 1 to December 31, 2021); and audit reports of consolidated financial statements by Accounting Auditors and the Audit and Supervisory Committee
2. Non-consolidated financial statements for the fiscal year ended December 31, 2021 (January 1 to December 31, 2021)

Items to be proposed:

Proposal No. 1	Appropriation of surplus
Proposal No. 2	Partial amendments to Articles of Incorporation
Proposal No. 3	Election of five (5) Directors (excluding Directors serving on the Audit and Supervisory Committee)

- If we need to make any revision to the business report, consolidated financial statements, non-consolidated financial statements or Reference Materials for General Meeting of Shareholders, we will notify you through the Company's website (<https://www.ccbj-holdings.com/>).
- In accordance with laws and regulations and the provisions of Article 16 of the Company's Articles of Incorporation, the following matters have been omitted from the attachments to the Notice of the Ordinary General Meeting of Shareholders for the fiscal year ended December 31, 2021 due to their posting on the Company's website.
 - (1) "Main Businesses," "Major Locations, etc.," "Status of Employees," and "Major financial institutions providing loans to the Company" within "Current Status of the Coca-Cola Bottlers Japan Holdings Group" in the Business Report
 - (2) "Accounting Auditor," "The system to ensure business adequacy," and "Basic Policies on the Control of the Joint-stock Company" under "Current status of the Company" in the Business Report
 - (3) "Consolidated Statements of Changes in Equity" and "Notes to Consolidated Financial Statements" in Consolidated Financial Statements.
 - (4) "Non-consolidated Statement of Changes in Shareholders' Equity" and "Notes to Non-consolidated Financial Statements" in Non-consolidated Financial Statements.

Therefore, the attachments are part of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the independent auditor when preparing the Independent Auditor's Report. Furthermore, they are part of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit & Supervisory Committee in preparing the Audit Report.

The Company's Website	https://www.ccbj-holdings.com/
-----------------------	---

Reference Materials for General Meeting of Shareholders

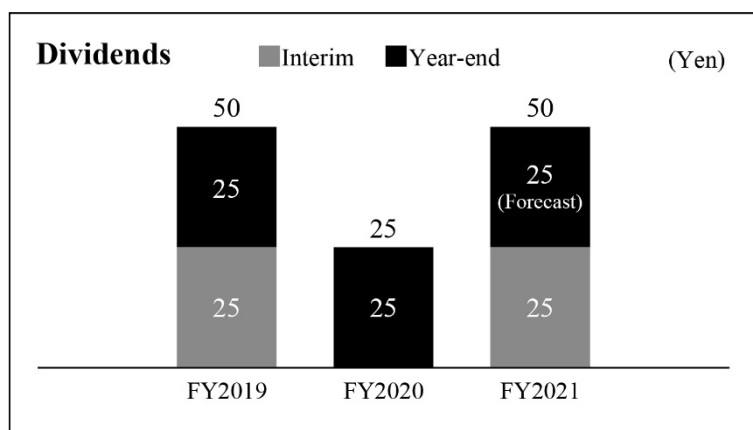
Proposal No. 1: Appropriation of surplus

Although the business environment during the current fiscal year remained challenging, as it was in the previous fiscal year, we place the highest priority on paying stable dividends and thus propose the appropriation of surplus as described below.

Year-end dividends

①	Type of assets to be distributed	Cash
②	Allotment of assets to be distributed and the total amount	We propose to pay 25 yen per share of the Company's common stock. In this case, the dividends will total 4,483,599,050 yen. As a result, including interim dividends, annual dividends per share will be 50 yen per share, 25 yen more than those of the previous fiscal year.
③	Effective date of the dividends of surplus	We propose March 25, 2022 as the effective date of the dividends of surplus.

Reference



Dividend Policy

Regarding dividends, the Company sets its basic policy to carry out active redistribution of profits while placing the highest priority on paying stable dividends, by comprehensively reviewing the Company's business performance and level of retained earnings. The Company has set a payout ratio target of 30% or more of net profit for the year attributable to owners of the parent and pays interim and year-end dividends of surplus.

Proposal No. 2: Partial amendments to Articles of Incorporation

We propose partial amendments to the Articles of Incorporation in order to prepare for the introduction of a system for electronic provision of materials for general meetings of shareholders.

1. Reasons for proposal

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, the Articles of Incorporation shall be partially amended in order to prepare for the introduction of a system for electronic provision of materials for general meetings of shareholders and to promote resource conservation, including the reduction of paper usage, from the perspective of ESG and taking the global environment into consideration.

2. Details of proposed amendments

Details of the proposed amendments are as follows.

(Amended portions are underlined.)

Existing Articles of Incorporation	Proposed Amendments
Articles 1 to 15 (Omitted)	Articles 1 to 15 (Same as at present)
<u>(Disclosure of General Meeting of Shareholders Materials on the Internet and Deemed Disclosure)</u>	
<u>Article 16 For convocation of General Meeting of Shareholders, the Company may post on the Internet information that should be disclosed or shown in materials for General Meeting of Shareholders, business reports, financial statements and consolidated financial statements (including financial audit report in relation to consolidated financial statements and auditor report,) which shall be deemed as offered to the shareholders.</u>	(Deleted)
(Newly established)	<u>(Measures for Electronic Provision, Etc.)</u>
	<u>Article 16 The Company shall, when convening a general meeting of shareholders, provide information contained in the reference materials for the general meeting of shareholders, etc. electronically.</u>
	<u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u>
Articles 17 to 34 (Omitted)	Articles 17 to 34 (Same as at present)

(Amended portions are underlined.)

Existing Articles of Incorporation	Proposed Amendments
<p>Supplementary Provisions (Omitted)</p> <p>(Newly established)</p>	<p>Supplementary Provisions (Same as at present)</p> <p><u>Supplementary Provisions 2</u> <u>(Transitional Measures Regarding the Effective Date of the Measures for Electronic Provision, Etc.)</u></p> <p><u>The deletion of Article 16 (Disclosure of General Meetings of Shareholders Materials on the Internet and Deemed Disclosure) of the existing Articles of Incorporation and the establishment of the proposed Article 16 (Measures for Electronic Provision, Etc.) shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Effective Date”).</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 16 of the existing Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u></p> <p><u>3. These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Proposal No. 3: Election of five (5) Directors (excluding Directors serving on the Audit and Supervisory Committee)

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


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


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


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


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


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

Candidate No. 1	Calin Dragan		Reelection
	[Relationship of special interest in the Company]	No. of Company Shares Owned	
	None	4,005 *As of December 31, 2021	
	Attendance at Board of Directors meetings		
	8/8 *Attendance rate: 100%		
(Date of birth: October 24, 1966, 55 years old)	Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions		
[Significant Concurrent Positions] Representative Director, President & Chief Executive Officer, Coca-Cola Bottlers Japan Inc.	June 1993 Joined Coca-Cola Leventis January 2000 Joined Coca-Cola Hellenic Bottling Company S.A. January 2005 General Manager and Administrator in charge of Romania and Mordovian Republic, Coca-Cola Hellenic Bottling Company S.A. July 2011 Executive Corporate Officer, Coca-Cola West Co., Ltd. March 2012 Representative Director, Coca-Cola West Co., Ltd. Vice President, Coca-Cola West Co., Ltd. July 2013 Representative Director & President, Coca-Cola East Japan Co., Ltd. May 2017 Regional Director, The Coca-Cola Company Bottling Investments Group Regional Director, Coca-Cola Far East Limited January 2018 President, The Coca-Cola Company Bottling Investments Group March 2019 Executive Officer, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer, Coca-Cola Bottlers Japan Inc. Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) President, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent) President, Coca-Cola Bottlers Japan Inc. January 2022 President & Chief Executive Officer, Coca-Cola Bottlers Japan Inc. (incumbent)		
[Reasons for nomination as candidate for Director] The Company requests the election of Calin Dragan as a Director because of his considerable experience as the Representative Director & President of Coca-Cola Bottling companies within Japan and gained at The Coca-Cola Company, his global business knowledge of Coca-Cola business operations, and how he has exercised leadership in his present position as a Senior General Manager of Business of the Company and Group, to utilize his ability and experience, etc. in the management of the Group.			

Candidate No. 2	Bjorn Ivar Ulgenes		Reelection																																												
	[Relationship of special interest in the Company]	No. of Company Shares Owned																																													
	None	1,601 *As of December 31, 2021																																													
	Attendance at Board of Directors meetings																																														
	8/8 *Attendance rate: 100%																																														
(Date of birth: April 5, 1968, 53 years old)	Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions																																														
	<table border="0"> <tr> <td style="vertical-align: top;"> <table border="1"> <tr> <td style="text-align: center;">[Significant Concurrent Positions]</td> </tr> <tr> <td>Representative Director, Vice President, Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc.</td> </tr> </table> </td> <td style="vertical-align: top;"> <table border="0"> <tr> <td>July</td> <td>1997</td> <td>Joined The Coca-Cola Company</td> </tr> <tr> <td>August</td> <td>2005</td> <td>Finance Director, North & West Africa Business Unit, The Coca-Cola Company</td> </tr> <tr> <td>May</td> <td>2008</td> <td>Finance Director & Executive Assistant to the Business Unit President, North & West Africa Business Unit, The Coca-Cola Company</td> </tr> <tr> <td>June</td> <td>2009</td> <td>GM Innovation & EA, North & West Africa Business Unit, The Coca-Cola Company</td> </tr> <tr> <td>February</td> <td>2010</td> <td>Senior Vice President Finance, The Coca-Cola (Japan) Co., Ltd.</td> </tr> <tr> <td>January</td> <td>2013</td> <td>Finance Director, Central, East & West Africa Group, The Coca-Cola Company</td> </tr> <tr> <td>April</td> <td>2016</td> <td>Deputy Finance Director, Europe, Middle East & Africa (EMEA) Group, The Coca-Cola Company</td> </tr> <tr> <td>October</td> <td>2018</td> <td>Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Holdings Inc. Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Inc.</td> </tr> <tr> <td>November</td> <td>2018</td> <td>Representative Director & President, Coca-Cola Bottlers Japan Sales Support Inc.</td> </tr> <tr> <td>January</td> <td>2019</td> <td>Representative Director & President, Coca-Cola Bottlers Japan Business Services Inc.</td> </tr> <tr> <td>February</td> <td>2019</td> <td>Executive Officer, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer, Coca-Cola Bottlers Japan Inc.</td> </tr> <tr> <td>March</td> <td>2019</td> <td>Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Inc.</td> </tr> <tr> <td>December</td> <td>2019</td> <td>Representative Director & Chairman, Q'SAI CO., LTD.</td> </tr> <tr> <td>January</td> <td>2022</td> <td>Vice President & Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc. (incumbent)</td> </tr> </table> </td> </tr> </table>	<table border="1"> <tr> <td style="text-align: center;">[Significant Concurrent Positions]</td> </tr> <tr> <td>Representative Director, Vice President, Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc.</td> </tr> </table>	[Significant Concurrent Positions]	Representative Director, Vice President, Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc.	<table border="0"> <tr> <td>July</td> <td>1997</td> <td>Joined The Coca-Cola Company</td> </tr> <tr> <td>August</td> <td>2005</td> <td>Finance Director, North & West Africa Business Unit, The Coca-Cola Company</td> </tr> <tr> <td>May</td> <td>2008</td> <td>Finance Director & Executive Assistant to the Business Unit President, North & West Africa Business Unit, The Coca-Cola Company</td> </tr> <tr> <td>June</td> <td>2009</td> <td>GM Innovation & EA, North & West Africa Business Unit, The Coca-Cola Company</td> </tr> <tr> <td>February</td> <td>2010</td> <td>Senior Vice President Finance, The Coca-Cola (Japan) Co., Ltd.</td> </tr> <tr> <td>January</td> <td>2013</td> <td>Finance Director, Central, East & West Africa Group, The Coca-Cola Company</td> </tr> <tr> <td>April</td> <td>2016</td> <td>Deputy Finance Director, Europe, Middle East & Africa (EMEA) Group, The Coca-Cola Company</td> </tr> <tr> <td>October</td> <td>2018</td> <td>Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Holdings Inc. Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Inc.</td> </tr> <tr> <td>November</td> <td>2018</td> <td>Representative Director & President, Coca-Cola Bottlers Japan Sales Support Inc.</td> </tr> <tr> <td>January</td> <td>2019</td> <td>Representative Director & President, Coca-Cola Bottlers Japan Business Services Inc.</td> </tr> <tr> <td>February</td> <td>2019</td> <td>Executive Officer, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer, Coca-Cola Bottlers Japan Inc.</td> </tr> <tr> <td>March</td> <td>2019</td> <td>Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Inc.</td> </tr> <tr> <td>December</td> <td>2019</td> <td>Representative Director & Chairman, Q'SAI CO., LTD.</td> </tr> <tr> <td>January</td> <td>2022</td> <td>Vice President & Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc. (incumbent)</td> </tr> </table>	July	1997	Joined The Coca-Cola Company	August	2005	Finance Director, North & West Africa Business Unit, The Coca-Cola Company	May	2008	Finance Director & Executive Assistant to the Business Unit President, North & West Africa Business Unit, The Coca-Cola Company	June	2009	GM Innovation & EA, North & West Africa Business Unit, The Coca-Cola Company	February	2010	Senior Vice President Finance, The Coca-Cola (Japan) Co., Ltd.	January	2013	Finance Director, Central, East & West Africa Group, The Coca-Cola Company	April	2016	Deputy Finance Director, Europe, Middle East & Africa (EMEA) Group, The Coca-Cola Company	October	2018	Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Holdings Inc. Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Inc.	November	2018	Representative Director & President, Coca-Cola Bottlers Japan Sales Support Inc.	January	2019	Representative Director & President, Coca-Cola Bottlers Japan Business Services Inc.	February	2019	Executive Officer, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer, Coca-Cola Bottlers Japan Inc.	March	2019	Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Inc.	December	2019	Representative Director & Chairman, Q'SAI CO., LTD.	January	2022	Vice President & Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc. (incumbent)
<table border="1"> <tr> <td style="text-align: center;">[Significant Concurrent Positions]</td> </tr> <tr> <td>Representative Director, Vice President, Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc.</td> </tr> </table>	[Significant Concurrent Positions]	Representative Director, Vice President, Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc.	<table border="0"> <tr> <td>July</td> <td>1997</td> <td>Joined The Coca-Cola Company</td> </tr> <tr> <td>August</td> <td>2005</td> <td>Finance Director, North & West Africa Business Unit, The Coca-Cola Company</td> </tr> <tr> <td>May</td> <td>2008</td> <td>Finance Director & Executive Assistant to the Business Unit President, North & West Africa Business Unit, The Coca-Cola Company</td> </tr> <tr> <td>June</td> <td>2009</td> <td>GM Innovation & EA, North & West Africa Business Unit, The Coca-Cola Company</td> </tr> <tr> <td>February</td> <td>2010</td> <td>Senior Vice President Finance, The Coca-Cola (Japan) Co., Ltd.</td> </tr> <tr> <td>January</td> <td>2013</td> <td>Finance Director, Central, East & West Africa Group, The Coca-Cola Company</td> </tr> <tr> <td>April</td> <td>2016</td> <td>Deputy Finance Director, Europe, Middle East & Africa (EMEA) Group, The Coca-Cola Company</td> </tr> <tr> <td>October</td> <td>2018</td> <td>Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Holdings Inc. Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Inc.</td> </tr> <tr> <td>November</td> <td>2018</td> <td>Representative Director & President, Coca-Cola Bottlers Japan Sales Support Inc.</td> </tr> <tr> <td>January</td> <td>2019</td> <td>Representative Director & President, Coca-Cola Bottlers Japan Business Services Inc.</td> </tr> <tr> <td>February</td> <td>2019</td> <td>Executive Officer, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer, Coca-Cola Bottlers Japan Inc.</td> </tr> <tr> <td>March</td> <td>2019</td> <td>Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Inc.</td> </tr> <tr> <td>December</td> <td>2019</td> <td>Representative Director & Chairman, Q'SAI CO., LTD.</td> </tr> <tr> <td>January</td> <td>2022</td> <td>Vice President & Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc. (incumbent)</td> </tr> </table>	July	1997	Joined The Coca-Cola Company	August	2005	Finance Director, North & West Africa Business Unit, The Coca-Cola Company	May	2008	Finance Director & Executive Assistant to the Business Unit President, North & West Africa Business Unit, The Coca-Cola Company	June	2009	GM Innovation & EA, North & West Africa Business Unit, The Coca-Cola Company	February	2010	Senior Vice President Finance, The Coca-Cola (Japan) Co., Ltd.	January	2013	Finance Director, Central, East & West Africa Group, The Coca-Cola Company	April	2016	Deputy Finance Director, Europe, Middle East & Africa (EMEA) Group, The Coca-Cola Company	October	2018	Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Holdings Inc. Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Inc.	November	2018	Representative Director & President, Coca-Cola Bottlers Japan Sales Support Inc.	January	2019	Representative Director & President, Coca-Cola Bottlers Japan Business Services Inc.	February	2019	Executive Officer, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer, Coca-Cola Bottlers Japan Inc.	March	2019	Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Inc.	December	2019	Representative Director & Chairman, Q'SAI CO., LTD.	January	2022	Vice President & Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc. (incumbent)		
[Significant Concurrent Positions]																																															
Representative Director, Vice President, Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc.																																															
July	1997	Joined The Coca-Cola Company																																													
August	2005	Finance Director, North & West Africa Business Unit, The Coca-Cola Company																																													
May	2008	Finance Director & Executive Assistant to the Business Unit President, North & West Africa Business Unit, The Coca-Cola Company																																													
June	2009	GM Innovation & EA, North & West Africa Business Unit, The Coca-Cola Company																																													
February	2010	Senior Vice President Finance, The Coca-Cola (Japan) Co., Ltd.																																													
January	2013	Finance Director, Central, East & West Africa Group, The Coca-Cola Company																																													
April	2016	Deputy Finance Director, Europe, Middle East & Africa (EMEA) Group, The Coca-Cola Company																																													
October	2018	Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Holdings Inc. Senior Executive Officer, Head of Finance, Coca-Cola Bottlers Japan Inc.																																													
November	2018	Representative Director & President, Coca-Cola Bottlers Japan Sales Support Inc.																																													
January	2019	Representative Director & President, Coca-Cola Bottlers Japan Business Services Inc.																																													
February	2019	Executive Officer, Coca-Cola Bottlers Japan Holdings Inc. Executive Officer, Coca-Cola Bottlers Japan Inc.																																													
March	2019	Representative Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Representative Director, Coca-Cola Bottlers Japan Inc. (incumbent) Vice President, Chief Financial Officer (Head of Finance), Coca-Cola Bottlers Japan Inc.																																													
December	2019	Representative Director & Chairman, Q'SAI CO., LTD.																																													
January	2022	Vice President & Chief Financial Officer and Head of Finance, Coca-Cola Bottlers Japan Inc. (incumbent)																																													
	[Reasons for nomination as candidate for Director] The Company requests the election of Bjorn Ivar Ulgenes as a Director because of his considerable experience as the Representative Director, Vice President, Chief Financial Officer (Head of Finance) of the Company and gained at The Coca-Cola Company, his global business knowledge of Coca-Cola business operations, and because of how he has exercised leadership in his present position as a Senior General Manager of Business of the Company and Group, to utilize his ability and experience, etc. in the management of the Group.																																														

Candidate No. 3		Hiroshi Yoshioka		<input type="checkbox"/> Reelection	<input type="checkbox"/> Outside	<input type="checkbox"/> Independent																																																																													
 <p>(Date of birth: October 26, 1952, 69 years old)</p>	[Relationship of special interest in the Company]		No. of Company Shares Owned																																																																																
	None		2,006 *As of December 31, 2021																																																																																
	Attendance at Board of Directors meetings																																																																																		
	8/8 *Attendance rate: 100%																																																																																		
Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions																																																																																			
<table border="0"> <tr> <td>April</td> <td>1975</td> <td>Joined Japan Radio Co., Ltd.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>January</td> <td>1979</td> <td>Joined Sony Corporation</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>October</td> <td>2001</td> <td>Representative Director and President, Sony Ericsson Mobile Communications Corporation</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>April</td> <td>2003</td> <td>CVP, Sony Ericsson Mobile Communications Corporation AB</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>November</td> <td>2005</td> <td>Corporate Executive, SVP, Sony Corporation</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>April</td> <td>2008</td> <td>Corporate Executive, EVP, Sony Corporation</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>April</td> <td>2009</td> <td>Executive Deputy President Officer, Sony Corporation</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td colspan="5">*Has resigned from the office as Executive Deputy President Officer of Sony Corporation as of December 31, 2012.</td> </tr> <tr> <td>July</td> <td>2013</td> <td>Outside Director, Coca-Cola East Japan Co., Ltd.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>April</td> <td>2017</td> <td>Outside Director, Coca-Cola Bottlers Japan Inc.</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>January</td> <td>2018</td> <td>Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)</td> <td></td> <td></td> <td></td> <td></td> </tr> </table>							April	1975	Joined Japan Radio Co., Ltd.					January	1979	Joined Sony Corporation					October	2001	Representative Director and President, Sony Ericsson Mobile Communications Corporation					April	2003	CVP, Sony Ericsson Mobile Communications Corporation AB					November	2005	Corporate Executive, SVP, Sony Corporation					April	2008	Corporate Executive, EVP, Sony Corporation					April	2009	Executive Deputy President Officer, Sony Corporation							*Has resigned from the office as Executive Deputy President Officer of Sony Corporation as of December 31, 2012.					July	2013	Outside Director, Coca-Cola East Japan Co., Ltd.					April	2017	Outside Director, Coca-Cola Bottlers Japan Inc.					January	2018	Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)				
April	1975	Joined Japan Radio Co., Ltd.																																																																																	
January	1979	Joined Sony Corporation																																																																																	
October	2001	Representative Director and President, Sony Ericsson Mobile Communications Corporation																																																																																	
April	2003	CVP, Sony Ericsson Mobile Communications Corporation AB																																																																																	
November	2005	Corporate Executive, SVP, Sony Corporation																																																																																	
April	2008	Corporate Executive, EVP, Sony Corporation																																																																																	
April	2009	Executive Deputy President Officer, Sony Corporation																																																																																	
		*Has resigned from the office as Executive Deputy President Officer of Sony Corporation as of December 31, 2012.																																																																																	
July	2013	Outside Director, Coca-Cola East Japan Co., Ltd.																																																																																	
April	2017	Outside Director, Coca-Cola Bottlers Japan Inc.																																																																																	
January	2018	Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)																																																																																	
[Significant Concurrent Positions]																																																																																			
No significant concurrent positions to note.																																																																																			
[Reasons for nomination as candidate for Outside Director and overview of expected roles]																																																																																			
The Company requests the election of Hiroshi Yoshioka as a Director (Outside Director) in the expectation that he will utilize, for the management of the Company, the considerable experience and global knowledge he has gained thus far at the Coca-Cola bottling company within Japan and Sony Corporation.																																																																																			

Candidate No. 4	Hiroko Wada		<input type="checkbox"/> Reelection	<input type="checkbox"/> Outside	<input type="checkbox"/> Independent
	[Relationship of special interest in the Company]	No. of Company Shares Owned			
	None	- *As of December 31, 2021			
	Attendance at Board of Directors meetings				
	8/8 *Attendance rate: 100%				
(Date of birth: May 4, 1952, 69 years old)	Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions				
[Significant Concurrent Positions] Representative, Office WaDa Outside Director, Shimadzu Corporation Outside Director (Audit & Supervisory Committee Member), Unicharm Corporation	April 1977 Joined Procter & Gamble Sunhome Co., Ltd. January 1998 Vice President, In charge of Corporate New Ventures, Asia, The Procter & Gamble Company (U.S.) March 2001 Representative Director & President, Dyson Ltd. April 2004 Representative Director, President & COO, Toys”R”Us-Japan, Ltd. November 2004 Representative, Office WaDa (incumbent) May 2009 Outside Director, Aderans Holdings Co., Ltd. June 2016 Outside Director, Shimadzu Corporation (incumbent) March 2019 Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent) Outside Director (Audit & Supervisory Committee Member), Unicharm Corporation (incumbent)				
[Reasons for nomination as candidate for Outside Director and overview of expected roles] The Company requests the election of Hiroko Wada as a Director (Outside Director) in the expectation that she will utilize, for the management of the Company, the considerable experience and global knowledge she has gained thus far as officer at The Procter & Gamble Company and as Representative Director at Dyson Ltd. and Toys”R”Us-Japan Ltd.					

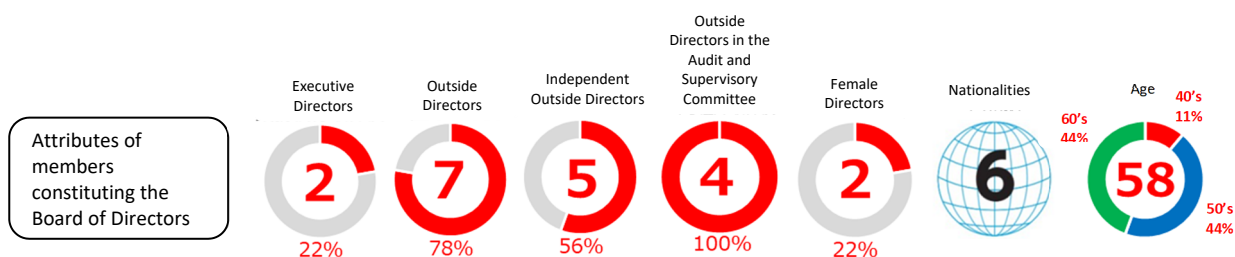
Candidate No. 5	Hirokazu Yamura		<input type="checkbox"/> Reelection	<input type="checkbox"/> Outside	<input type="checkbox"/> Independent
 (Date of birth: September 28, 1977, 44 years old)	[Relationship of special interest in the Company]	No. of Company Shares Owned			
	Hirokazu Yamura is Representative Director & President of Michinoku Coca-Cola Bottling Co., Ltd. The Company has business relations in product trading, etc. with Michinoku Coca-Cola Bottling Co., Ltd. (Sales etc. : 0.5% of the Company's net sales; Purchases etc. : 0.2% of the net revenues of Michinoku Coca-Cola Bottling Co., Ltd.)		- *As of December 31, 2021		
	Attendance at Board of Directors meetings				
8/8					
*Attendance rate: 100%					
[Significant Concurrent Positions]	Brief Personal Profile, Position and Responsibility in the Company, and Significant Concurrent Positions				
Representative Director & President, Michinoku Coca-Cola Bottling Co., Ltd.	October 2006 Joined Michinoku Coca-Cola Bottling Co., Ltd. February 2009 Director, Michinoku Coca-Cola Bottling Co., Ltd. March 2012 Managing Director, Michinoku Coca-Cola Bottling Co., Ltd. March 2013 Senior Managing Director, Michinoku Coca-Cola Bottling Co., Ltd. March 2014 Representative Director & President, Michinoku Coca-Cola Bottling Co., Ltd. (incumbent) March 2020 Outside Director, Coca-Cola Bottlers Japan Holdings Inc. (incumbent)				
[Reasons for nomination as candidate for Outside Director and overview of expected roles]					
The Company requests the election of Hirokazu Yamura as a Director (Outside Director) in expectation that he will utilize, for the management of the Company, the considerable experience and knowledge he has gained in management and as Representative Director & President at Michinoku Coca-Cola Bottling Co., Ltd.					

Notes:

1. Company names listed in the personal profile reflect business names at time of employment.
2. The Company has entered into officers' liability insurance agreements with Calin Dragan, Bjorn Ivar Ulgenes, Hiroshi Yoshioka, Hiroko Wada and Hirokazu Yamura as insureds, whose insurance premiums are fully borne by the Company, and if their re-elections are approved, said agreements shall be renewed. The agreement will outline that, in the event of a claim for damages by a shareholder, the Company, an employee or another third party during the insurance period arising from an act done by the insureds in relation to their work as the Company's officers, such compensation for damages and legal expenses, etc. shall be compensated.
3. The Company has entered into agreements for limitation of liability with Hiroshi Yoshioka, Hiroko Wada and Hirokazu Yamura, and if their re-elections are approved, said agreements shall remain in effect. The agreement will outline that in cases where the Directors (excluding Executive Directors, etc.) have caused damages to the Company due to non-performance of their duties and yet they are bona fide and there is no gross negligence from them in performing their duties, they shall be liable for the damages to the limit of minimum liability set forth in Article 425, Paragraph 1 of the Companies Act.
4. Hiroshi Yoshioka, Hiroko Wada and Hirokazu Yamura are candidates for Outside Director.
 - (1) Hiroshi Yoshioka, Hiroko Wada and Hirokazu Yamura are incumbent Outside Directors of the Company. At the conclusion of this General Meeting of Shareholders, Hiroshi Yoshioka has assumed the office as Outside Director for five (5) years, Hiroko Wada has assumed the office as Outside Director for three (3) years, and Hirokazu Yamura has assumed the office as Outside Director for two (2) years.
 - (2) The Company has submitted a notice to Tokyo Stock Exchange, Inc., on which the Company is listed, that Hiroshi Yoshioka, Hiroko Wada and Hirokazu Yamura are "Independent Directors" in accordance with the rules, etc. of the said securities exchange. If their re-elections are approved, they are scheduled to be Independent Directors continuously.

<Reference> Skill Matrix

- The attributes, expertise and experience of the members constituting the Company's Board of Directors are as stated below.
- The Company believes that its Board of Directors has necessary skills as a whole.
- The Skill Matrix does not represent all the skills possessed by each director.



Name	Current Status and Responsibility, etc. in the Company	Expertise				
		Corporate Management	Global Business	Food and Beverage Industry	Finance / Audit	Sustainability / CSV
Calin Dragan	Representative Director & President	○	○	○		
Bjorn Ivar Ulgenes	Representative Director, Vice President, Chief Financial Officer (Head of Finance)		○	○	○	
Hiroshi Yoshioka	Outside Director (Independent Officer)	○	○			○
Hiroko Wada	Outside Director (Independent Officer)	○	○			○
Hirokazu Yamura	Outside Director (Independent Officer)	○		○		○
Irial Finan	Outside Director (Audit and Supervisory Committee member)	○	○	○	○	
Celso Guiotoko	Outside Director (Audit and Supervisory Committee member) (Independent Officer)		○	○	○	
Nami Hamada	Outside Director (Audit and Supervisory Committee member) (Independent Officer)	○	○		○	
Vamsi Mohan Thati	Outside Director (Audit and Supervisory Committee member)	○	○	○		

Reference: Criteria for Directors' Skills

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

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

END

(Attachment)

Business Report (From January 1 to December 31, 2021)

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

(1) Business Progress and Results

Coca-Cola Bottlers Japan Holdings Inc. (“CCBJH” or the “Company”, or “we”) announced full-year results for the fiscal year ending on December 31, 2021 (January 1, 2021 to December 31, 2021).

As the effect of the coronavirus (COVID-19) continues and the business environment remains to be challenging, the continued supply of our goods and services are essential for our customers and consumers, and the safety and health of our employees and communities are our top priorities. In accordance with our mission to provide happy moments for all, we have been operating our business to ensure safe and secure product supply while taking comprehensive measures.

In this fiscal year (January 1, 2021 to December 31, 2021), despite last year's COVID-19 impact, rebound from the initial impact, and the lifting of the state of emergency, the multiple state of emergency declarations have limited people traffic with heavy rain fall in August. As a result, the total domestic nonalcoholic ready-to-drink (NARTD) beverage industry volume growth performance was limited to about 1% versus the previous fiscal year.

Under these circumstances, we have been working on measures to minimize the impact to sales by introducing new products by responding to changing consumer and channel trends. Under the guiding principle that “business as usual is not an option”, announced as part of our mid-term strategic business plan in August 2019, we continue to drive fundamental business transformation initiatives. We have been pushing forward our transformation efforts in the further evolution of the vending channel operation model, the relocation of product inventories, the consolidation of distribution bases centered around the Saitama Mega DC to optimize the distribution network in the Kanto area, the streamlining of the supply chain system to realize low-cost operations, improving operational efficiency through company-wide digital transformation (DX), and the promotion of new work styles. While the business environment continues to be challenging, we are focused on identifying the issues and implementing short-term mitigation plans, as well as seeking new opportunities for growth and efficiency as we work to respond to changes in the business environment over the medium and long term.

We continue our activities to realize our ESG goals based on creation of shared value with society. As part of our efforts to achieve the 2030 Packaging Vision, we continue to increase the use of sustainable materials PET bottles. As part of strengthening our efforts, the Coca-Cola system in Japan has formulated targets to reduce greenhouse gas (GHG) emissions across the entire value chain in Japan by 2030. This has led to our selection as a constituent of the DJSI Asia Pacific, a leading ESG investment index for four consecutive years, and an A- score in a survey on water security conducted by CDP, an international environmental non-profit organization.

Details for the full-year are as follows.

<Highlights>

- In the fourth quarter (Oct. 1 - Dec. 31), although there were signs of growth in sales volume with the lifting of the state of emergency declaration, the business was affected by concerns about the resurgence of the infection caused by the Omicron strain into the year-end. For the full-year, COVID-19 impact continued. Recovery of consumer traffic impacted by repeated emergency declarations and record-breaking rainfall in August.
- Full-year sales volume increased by +2% YoY. Multiple new products contributed to volume growth, but the challenging business environment continued. Full-year revenue declined by -1% YoY with the changing consumer spending patterns impacting channel and package mix and lower revenue per case. Value share continued to grow for vending, and on a recovery trend for supermarkets, drugstores and discounters.
- Business income exceeded the earnings guidance by 1.2 billion yen, supported by the slightly higher than expected volume and the effect of additional cost saving measures. Compared to the previous fiscal year, a decreased of 14.8 billion yen. Impacted by challenging business environment, cycling of significant temporary cost reduction achieved in the previous fiscal year, and rising raw material prices.
- In a challenging operating environment, with the focus on what we can control, transformation initiatives are progressing as planned, achieving approximately 9B yen of recurring cost savings for the full-year.
- Due to the increased uncertainty in the market returning with the resurgence of infection cases caused by the Omicron strain, we have not provided the earnings forecast for 2022 at this time.

<Reference>

Business Income (loss)” is a measure of our underlying or recurring business performance. Business Income (loss) deducts cost of goods and selling, general and administrative expenses from revenue, and includes other income and expenses which we believe are recurring in nature. The corresponding figures for consolidated operating income (loss) are as follows.

		FY2020	FY2021
Revenue	(Millions of yen)	791,956	785,837
Sales volume of beverage business	(Million case)	458	468
Gross profit	(Millions of yen)	362,916	350,505
Selling, General & Administrative Expenses	(Millions of yen)	359,645	363,750
Other income (recurring)	(Millions of yen)	772	887
Other expenses (recurring)	(Millions of yen)	3,628	2,142
Investment loss on equity method	(Millions of yen)	(245)	(162)
Business income (loss)	(Millions of yen)	169	(14,662)
Other income (non-recurring)	(Millions of yen)	7,714	9,251
Other expenses (non-recurring)	(Millions of yen)	19,606	15,560
Operating income(loss)	(Millions of yen)	(11,722)	(20,971)

Consolidated net revenue was 785,837 million yen (0.8% decrease of 6,119 million yen from the same period prior year). New products and initiatives responding to trend changes in channels contributed to the volume growth, but the prolonged period of state of emergency delayed the recovery of traffic, and the record rain in August lead to a volume growth of only 2% versus the previous year. In addition, the business environment has seen an increase of at-home consumption demand with people refraining from going out or working from home resulting in consumer behavior changes impacting channel and mix, and continued severe competitive environment leading to decrease in revenue per case, impacting revenue. Although the state of emergency declaration was lifted in October, there were hopes for a recovery in people traffic that would lead to an improvement in the consumption environment. However, the business environment remained uncertain and challenging as the Omicron strain toward the end of the year raised concerns about the resurgence of infections.

Consolidated business loss was 14,662 million yen (decrease of 14,831 million yen from the same period of prior year). To minimize the impact of the decrease in revenue on profits, cost saving efforts were made in all areas, including recurring cost reductions

through transformation. Factors including adverse channel and package mix, decline in revenue per case, rise in commodity prices and logistics costs, and our decision to invest at appropriate levels in marketing and human resources that would contribute to our future growth had an impact. However, with the volume slightly ahead of expansion, and additional cost saving measures being implemented, we exceed the full-year forecast announced in November 2021 by 1.2 billion yen.

Consolidated operating loss was 20,971 million yen (decrease of 9,248 million yen from the same period of prior year). In addition to the decrease in Business Income from the prior year, there was an increase in cost due to the accounting timing of the temporary leave expenses and the timing of when the government subsidies for employment adjustment were received. Other income (non-recurring) of this fiscal year includes 6,447 million yen in government subsidies for employment adjustment to offset temporary leave expenses. Other expenses (non-recurring) include 9,001 million yen in temporary leave expenses and 1,600 million yen in business transformation-related expenses related to the implementation of transformation based on the medium-term plan, 2,437 million yen in special retirement allowances due to the voluntary employee retirement program and expenses incurred to recover the system failures that occurred in the core system used by the Group of 1,322 million yen.

Net income attributable to owners of parent for the year a total of continuing operations and discontinued operation was a loss of 2,503 million yen (2,212 million increase from the same period prior year) as a gain of 12,841 million yen was recorded in discontinued operations as gains from stock sales due to the transfer of shares in Q'sai.

Beverage volume performance

Full-year 2021 sales volume is hereinafter represented as the percentage change from the same period of the previous year. Although there were contributions from the introduction of new products and responses to changing trends in all channels, the increase was 2% compared to the same period of the previous year due to the delay in the recovery of people traffic driven by repeated emergency declarations and impacted by heavy rains in August, a peak summer month.

In terms of channel performance, although vending saw a recovery when the state of emergency was lifted, the increase was limited to 1% due to delayed recovery of people traffic and unfavorable weather in August. Although the market environment continues to be challenging, the value share of vending continued to grow for 33 consecutive months, mainly due to new products in non-sugar teas and water, contributions from new package in sport, and campaigns through the Coca-Cola official smartphone app Coke

ON, which has reached 33 million downloads. In addition, we are working to strengthen the installation of vending machines in prime locations while assessing the market environment and cost-effectiveness, resulting in a net increase in the number of vending machines compared to the end of the previous fiscal year. Supermarkets, drugstores and discounters increased 5% and 8% respectively for the full-year. This is partially due to capturing demand for at home consumption and bulk purchases, as well as responding to changes in customers' purchasing patterns, and promotional activities at the point of sales. Value share that has been an issue is now on a recovery trajectory. In the CVS channel, despite contributions from new products in non-sugar teas and strategically rolled out 950ml PET, volume recovery has been delayed due to increased competition in promotions, resulting in a 2% decrease for the full-year. In retail food, sales for commercial use continued to decline due to factors such as shortened restaurant opening hours and decreased by 10%. For periods following the state of emergency being lifted, there were periods of temporary recovery. Online sales continued to grow strongly in all categories and increased by 62% for the full-year supported by the successful rollout of label-less products well received by consumers' changing purchasing behavior and environmental awareness during COVID-19.

In terms of beverage category performance, sparkling was flat for the full-year despite contributions from the premium-priced Fanta Premier series and other products as well as growth in supermarkets and other channels, it was not able to off-set the adverse weather in summer and drop in 500ml PET. New products such as Yakan Barley Tea from Hajime and Ayataka Cafe Matcha Latte respectively contributed to 10% increase in non-sugar tea sales for Q4 and increased 7% for the full-year. Coffee sales decreased 3% for the full-year due to a decline in sales of canned coffee in CVS and vending, despite growth in PET bottle coffee through the introduction of new products such as Costa Coffee and Georgia Shot & Break. In sports, despite the lifting of some restrictions on events, contribution of channel specific packaging products, and the improved sentiment with the Olympic Games, the category growth was 3% for the full year, as the Olympics Games were held without any spectators and the record-breaking heavy rains during the summer. Water volume increased 23% for the full year, growing in every channel, by capturing the growth of large PET with the increased demand of at-home consumption, as well as contributions from new ICY SPARK and Ilohas small PET.

The ready-to-drink alcohol category, despite the contribution from promotions of Lemon-dou and new products such as Nomel's Hard lemonade, it was not able to offset the cycling effect of the new products launched in the same period of the prior year and

decreased by 2%. We are working to capture the growing non-alcohol category and created a new brand and will launch “Yowanai Lemon-dou” on February 21st, 2022.

(2) Status of Capital Investment

Total capital investment undertaken during this consolidated fiscal year amounted to 40.2 billion yen, which was mainly undertaken for the following elements, all of which were related to the beverage business:

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

(3) Financial Activities

Not applicable.

(4) Trend of Assets and Earnings

Item	FY2018	FY2019	FY2020	FY2021
	IFRS	IFRS	IFRS	IFRS
Revenue (MM yen)	927,307	890,009	791,956	785,837
Business income (loss) (MM yen)	23,276	11,447	169	(14,662)
Operating income(loss) (MM yen)	14,682	(58,904)	(11,722)	(20,971)
Net income attributable to owners of the parent (loss) (MM yen)	10,117	(57,952)	(4,715)	(2,503)
Earnings(loss) per share (yen)	52.68	(322.22)	(26.29)	(13.96)
Total assets (MM yen)	877,472	952,444	939,603	867,111
Equity attributable to parent owners (MM yen)	580,448	505,999	501,643	492,320
Equity attributable to parent owners per share (yen)	3,163.63	2,821.27	2,797.03	2,745.12

Notes:

1. Earnings(loss) per share is calculated based on the average number of shares issued during the year while equity attributable to parent owners per share is calculated based on the total number of shares issued as of the end of the fiscal year (excluding treasury shares).
2. In the year ended December 31, 2020, the healthcare and skincare business has been classified as a discontinued operation as a result of the decision in December 2020 to sell all shares in Q'sai held by the Company. As a result, revenue, business income (loss) and operating income (loss) for the previous financial year have been reclassified to the amounts for continuing operations excluding discontinued operations.

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

Q'SAI has been excluded from our consolidated subsidiaries in conjunction with the transfer of all - of its shares on February 1, 2021.

(6) Issues to be address

Regarding the outlook for the overall Japan NARTD beverage market, although it is expected that a certain amount of consumer traffic will recover from 2021 that was under state of emergency for an extended period of time, the infection cases are increasing by the spread of Omicron variant. Due to such concerns, it is expected that the uncertain situation will continue. In addition to the continued impact of changes in

consumer purchasing behavior, such as the shift from immediate consumption to at home consumption and the shift in purchasing channels, and the continued intense competitive environment due to a delayed recovery of the overall demand. The difficult environment is expected to continue from the perspective of profitability, as global raw materials and oil prices are expected to rise.

Under these circumstances, we will continue to take actions to mitigate the short-term impact of the COVID-19 and position 2022 as a “year of building a foundation for sustainable growth”, we will strive to build a solid base that leads to steady sustainable growth and to promote further transformation. As important measures, we will work to 1) focus on core categories and high-quality innovations, 2) continue ROI focused, customer-oriented marketing investment and execute appropriate pricing strategies to strengthen the earnings base, and 3) strengthen collaboration between commercial and the supply chain for low-cost logistics, 4) continue transformation to establish a business model that can achieve sustainable growth, and 5) increase the rate of sustainable materials used in PET bottles.

In the commercial area, despite the difficult environment, we will strive to achieved steady sales recovery and establish a profit structure to deliver sustainable growth for the future by strengthening measures focusing on core categories, launching new products based on innovations that utilize new technologies and new knowledge to expand the product portfolio, entering into white space (new area), and executing strategic marketing investments with ROI consideration. Regarding our important vending channel, while considering the current and medium-term business environment, we are working to increase the number of vending machine placements focusing on profitability and ROI. We will work to increase sales from vending machines that contribute significantly to profits through a digital strategy such as the smartphone app "Coke ON". In addition, in the transformation of the operation model of the vending channel implemented in 2021, we have achieved a significant reduction in fixed costs by improving how we operate. In the future, we will strive for stable operation while deepening collaboration with supply chain, and will continue to improve operations by further utilizing digital technology. In the over the counter channel, changes in consumer purchasing pattern and intensified competition are expected to continue, and although there are signs of recovery in our value share, we still recognize it as an area of improvement. Regarding this, we will work to solve our issue by development of new products, expanding space to sell, ROI-conscious customer-oriented marketing investment, and appropriate pricing strategies based on the profitability. Furthermore,

by expanding the area of collaboration with Coca-Cola Japan Co., Ltd., we will build a system in which the Coca-Cola system in Japan that can leverage our strength.

In supply chain, as part of a "Shinsei project" aimed at building a supply chain network that realizes high quality, low cost, and stable supply, we promote stable operation of "Saitama Mega DC" which started operation in 2021 smooth launch of "Akashi Mega DC" scheduled to start operation ahead of schedule before the 2022 peak demand season, and consolidation of sales centers and reduction and optimal distribution of product inventory by synchronizing with these mega DCs. In terms of manufacturing, we will strive to provide a stable supply of products, improve manufacturing efficiency, and reduce costs by improving manufacturing capacity and building flexible manufacturing systems. Furthermore, it is expected that demand will continue to fluctuate, but taking the learnings from FY 2021, we will strengthen the collaboration between the commercial (planning / sales) and the supply chain to work timely and low-cost supply of products adjusting to the changes in the environment. In 2022, procurement costs are expected to rise due to rising prices of raw materials and crude oil, which is expected to have a significant impact on the entire business. In the supply chain, we will strive to mitigate the impact of increased costs in the entire value chain by implementing meticulous improvement activities centered on stable and low-cost operations.

As the foundation of the entire business, we aim to further accelerate the standardization of business processes and the efficiency improvement by DX (digital transformation) and to establish a robust cost structure that can adapt to the changing environment with agility. Additionally, we will continue to promote activities to achieve ESG targets based on creating shared value with society, such as implementing people development initiatives in accordance with our company "Mission, Vision and Values", "2030 Packaging Vision" aiming for a world-without-waste, and greenhouse gas (GHG) reduction target formulated and announced in 2021 as Coca-Cola system in Japan.

We will continue to execute the above initiatives, but there are many uncertainties due to the rapid spread of the Omicron strain, the expected timing of the reduction in infection rates and the impact on the market. Therefore, it is difficult to estimate and announce our full-year forecast for 2022 at this time. We will disclose our guidance at the appropriate time assuming a certain level of COVID-19 impact subsiding. In the meantime, we will focus on what we can control in these following areas:

- Value share growth in vending, balanced approach in OTC with sustainable pricing
- Transformation that delivers recurring cost savings

- Continue to control capex and monitor market environment for expanding investments
- Stable shareholder return with Full-year dividend of 50 yen per share is planned
- Increase use the rate of PET bottles with sustainable materials

(7) Status of Significant Subsidiaries (As of December 31, 2021)

Names	Paid-in Capital	Percentage of Voting Rights	Main Businesses
	Unit: MM yen	Unit: %	
Coca-Cola Bottlers Japan Inc.	100	100.0	Manufacturing and sales of beverage and food products
FV Japan Co., Ltd.	100	100.0	Sales of beverage and food products
Coca-Cola Bottlers Japan Vending Inc.	80	100.0	Operation of vending machines
Coca-Cola Bottlers Japan Business Services Inc.	80	100.0	Office work related to sales of beverage and food products

Notes:

1. The percentage of voting rights includes the portion of indirect holdings via subsidiaries
2. The status of the Specified Wholly Owned Subsidiary of the Company is as follows as of December 31, 2021:

Name of Specified Wholly Owned Subsidiary	Coca-Cola Bottlers Japan Inc.
Address of Specified Wholly Owned Subsidiary	9-7-1, Akasaka, Minato-ku, Tokyo
Book value of shares of Specified Wholly Owned Subsidiary of the Company or Wholly Owned Subsidiary thereof	342,561 million yen
Total assets of the Company	543,410 million yen

2. Current Status of the Company

(1) Status of Shares (As of December 31, 2021)

- a. Total number of authorized shares: 500,000 thousand
- b. Total number of issued shares (excluding 26,925 thousand treasury shares): 179,344 thousand
- c. Number of shareholders: 76,504
- d. Major shareholders (top 10)

Names of shareholders	Number of shares held	Ratio of shareholding
	(Unit: thousand)	(Unit: %)
Coca-Cola (Japan) Co., Ltd.	27,956	15.59
The Master Trust Bank of Japan, Ltd. (Trust Account)	17,617	9.82
Ichimura Foundation for New Technology	5,295	2.95
Custody Bank of Japan, Ltd. (Trust Account)	4,925	2.75
Satsuma Shuzo Co., Ltd.	4,699	2.62
Senshusha Co., Ltd.	4,088	2.28
Coca-Cola Holdings West Japan Inc.	4,075	2.27
Mitsubishi Heavy Industries Machinery Systems, Ltd.	3,912	2.18
MCA Holdings Co., Ltd.	3,408	1.90
STATE STREET BANK AND TRUST COMPANY 505225	3,223	1.80

Note: The treasury shares (26,925 thousand shares) are excluded from the list above and from the calculation of ratio of shareholding.

(2) Shares issued to corporate officers as compensation for the execution of their duties during the fiscal year under review (As of December 31, 2021)

Not applicable.

3. Company's Officers

(1) Status of the Company's Officers

a. Status of Directors (As of December 31, 2021)

Position	Name	Areas of responsibility and important concurrent positions
Representative Director	Calin Dragan	President Representative Director and President, Coca-Cola Bottlers Japan Inc.
Representative Director	Bjorn Ivar Ulgenes	Vice President and Chief Financial Officer (Head of Finance) Representative Director, Vice President, Chief Financial Officer and Head of Finance ,Coca-Cola Bottlers Japan Inc.
Director	Hiroshi Yoshioka	
Director	Hiroko Wada	Representative, Office WaDa Outside Director, Shimadzu Corporation Outside Director (Audit & Supervisory Committee Member), Unicharm Corporation
Director	Hirokazu Yamura	Representative Director & President, MICHINOKU COCA-COLA BOTTLING CO., LTD.
Director (Audit & Supervisory Committee Member)	Irial Finan	Director, Smurfit Kappa Group Plc Director, Fortune Brands Home & Security, Inc.
Director (Audit & Supervisory Committee Member)	Celso Guiotoko	Director and Global Chief Digital Officer, Nishimoto Co., Ltd.
Director (Audit & Supervisory Committee Member)	Nami Hamada	Co-Founder, Managing Director, Mile High Capital Inc. Outside director (Audit committee member), MetLife Insurance K.K.
Director (Audit & Supervisory Committee Member)	Vamsi Mohan Thati	President, Greater China and Mongolia Operating Unit, The Coca-Cola Company

Notes:

- Transfers of Directors during the fiscal year under review as follows:
 - Enrique Rapetti have retired from the post of Director (Audit & Supervisory Committee Member) effective from the conclusion of the fiscal year 2020 Ordinary General Meeting of Shareholders held on March 25, 2021.
 - Vamsi Mohan Thati has resigned from the post of Director (Audit & Supervisory Committee Member) effective from the conclusion of the fiscal year 2020 Ordinary General Meeting of Shareholders held on March 25, 2021.
- Directors Hiroshi Yoshioka, Hiroko Wada, and Hirokazu Yamura and Directors (Audit & Supervisory Committee Members) Irial Finan, Celso Guiotoko Nami Hamada, and Enrique Rapetti are Outside Directors.
- Directors Hiroshi Yoshioka, Hiroko Wada, and Hirokazu Yamura and Directors (Audit & Supervisory Committee Members) Celso Guiotoko and Nami Hamada have been notified to the Tokyo Stock Exchange on which the Company is listed, as "Independent Officers" as defined in the rules of the Tokyo Stock Exchange.
- Director (Audit & Supervisory Committee Member) Nami Hamada has accumulated a wealth of experience in finance and accounting by running her own financial consulting company, and is therefore highly knowledgeable about finance and accounting. In addition, Mr. Enrique Rapetti, Director (Audit & Supervisory Board Member), has extensive experience in finance and accounting, including as CFO of THE COCA-COLA COMPANY (LATIN AMERICA GROUP), and therefore has considerable knowledge of finance and accounting.

5. Thanks to the organizational audits carried out through an internal control system under the lead of the Audit & Supervisory Committee, the Company does not need to appoint full-timers, and has therefore not appointed any full-time members to the Audit & Supervisory Committee.
6. Effective January 1, 2022, the Company has changed the responsibilities of Directors at important concurrent positions as follows.

Position	Name	Areas of responsibility and important concurrent positions
Representative Director	Calin Dragan	President Representative Director, President and CEO, Coca-Cola Bottlers Japan Inc.
Representative Director	Bjorn Ivar Ulgenes	Vice President and Chief Financial Officer (Head of Finance) Representative Director, Vice President and CFO of Coca-Cola Bottlers Japan Inc.

b. Outline of Limited Liability Agreements

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

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

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

In order to ensure that directors (including those who are members of the Audit and Supervisory Committee) and the Group's executive officers can demonstrate the roles expected of them and the Company can select competent persons to serve as directors and executive officers, the Company has entered into a directors' and officers' liability insurance contract with an insurance company and the Company bears the entire premium. The policy covers the nine members of the Board of Directors, namely Calin Dragan (Representative Director) Bjorn Ivar Ulgenes, Hiroshi Yoshioka, Hiroko Wada, Hirokazu Yamura, Irial Finan, Celso Guiotoko, Nami Hamada and Enrique Rapetti and, as well as the executive officers of the Group, as insured, in the event of claims for damages by shareholders, the Company, employees or other third parties arising from acts in the course of their duties as directors and officers of the Company during the term of the policy.

(2) Remuneration of Company's officers

a. Compensation policy and process for determining the policy

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

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

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

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

(c). Process for determining the policy

The policy for determining compensation for Officers, etc. shall be determined upon deliberation by the Audit and Supervisory Committee and approval by the Board of Directors.

The current policy (policy for determining compensation for Directors, etc.) has been resolved by the Board of Directors on March 25, 2021.

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

(a). Compensation structure

Fixed compensation	Base salary	<ul style="list-style-type: none"> ● Monthly payment of an amount determined based on responsibilities. 	<p>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</p> <p>Compensation limit for Directors (excluding Directors serving on the Audit and Supervisory Committee): 850 million yen per year (approved by resolution no. 5 of 2019 Annual General Meeting of Shareholders) (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee) * In case where the Audit and Supervisory Committee has deliberated and deemed it necessary, payments within 850 million yen may be made for fringe benefits such as housing allowances, etc.</p>
	Retirement payments	<ul style="list-style-type: none"> ● 10% of annual base salary is retained, and the accumulated amount is calculated and paid upon their retirement. ● This payment may be reduced or withheld altogether if the recipient has caused significant damage to the CCBJH Group or been subject to disciplinary action. It may also be specially increased where the recipient has given particularly distinguished contribution. Any reduction, withholding, or special increase will be decided at the Board of Directors Meeting, based on deliberation by the Audit and Supervisory Committee. 	
Variable compensation	Annual bonus	<ul style="list-style-type: none"> ● Provided at a certain point in the year as an incentive for achieving performance targets for each fiscal year. ● The target amount is set in the range of 30% to 85% of base salary, depending on their responsibilities. ● The amount of payment varies in the range of 0% to 150% of the target amount depending on the achievement of performance targets in each fiscal year (companywide performance and individual evaluations). ● To provide motivation to achieve profitable growth, business income, sales volume, and net sales have been adopted as measures for evaluating companywide performance, based on the Company's policy regarding the determination of compensation, etc. for Directors, etc. 	
	Long-term incentives	<ul style="list-style-type: none"> ● Two types of stock-based compensation systems, (1) PSU and (2) RSU, are adopted as long-term incentives. ● The basic amount of all long-term incentives (1) PSU + (2) RSU is set in the range of 15% to 100% of base salary based on the responsibilities. 50% of this basic amount is set as the basic PSU amount, and 50% is set as the basic RSU amount. ● With regard to (2) RSU, additional grants for the purpose of retention, etc. may be made in addition 	<p>The portion of the compensation shown on the left provided to Directors will not exceed the following amount.</p> <p>Compensation limit for Directors</p>

		to the above-mentioned basic RSU amount and in case for Directors, up to the compensation limit detailed on the right if deemed necessary by the Audit and Supervisory Committee.	(excluding Directors serving on the Audit and Supervisory Committee):
(1) PSU (Performance Share Units)	<ul style="list-style-type: none"> ● Granted as an incentive for achieving medium to long term performance targets. ● The number of shares to be issued shall be determined within the range of 0% to 150% of the basic PSU amount depending on the achievement of performance targets (only considering companywide performance) over the three years after the share units have been granted (half of the shares to be issued shall be paid in cash for the purpose of allocating funds for the payment of tax obligations). ● To provide motivation to enhance corporate value over the mid to long term, consolidated ROE and consolidated sales growth rate have been adopted as measures for evaluating performance, based on the Company's policy regarding the determination of compensation for Directors, etc. 	<ul style="list-style-type: none"> ● Maximum amount of 600,000 shares per year multiplied by the market value at the time of issue (approved by resolution no. 4 of 2020 Annual General Meeting of Shareholders) (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee) 	
(2) RSU (Restricted Stock Units)	<ul style="list-style-type: none"> ● Granted for the purpose of aligning interests with shareholders, creating incentives to increase corporate value, and strengthening retention of talented people. ● A predetermined number of shares are issued at retirement (half of the shares to be issued shall be paid in cash for the purpose of allocating funds for the payment of tax obligations). 		

*Regarding fringe benefits, to support the execution of assignments outside the home country, housing allowances, etc. are provided in accordance with the internal regulations approved at the Board of Directors Meeting through deliberations by the Audit and Supervisory Committee

(b) Process for determining compensation

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

after deliberations by the Audit & Supervisory Committee. The compensation for Executive Officers shall also be determined through deliberations by the Audit and Supervisory Committee. Therefore, the Board of Directors deems that the content of these compensations is in line with the above decision-making policy.

(i) Activities of the Board of Directors

The Board of Directors' activities concerning the determination of Officer compensation for FY202 are as follows.

(1) Number of meetings of the Board of Directors held over one year from January 2021 to December 2021: 8

(2) Main subjects discussed by the Board of Directors concerning Officer compensation and Officer compensation structure in FY2021:

- Payment of leadership award (for March 2021)
- Payment of special RSU to Directors
- Revision of Officer compensation structure
- Policy for determining compensation for Officers, etc.
- Report on the number of PSU and RSU units granted to Directors and Executive Officers in 2021
- Payment of bonuses for 2019 and long-term incentives for 2018 to Directors and Executive Officers
- Handling of taxes imposed on LTI (LTI tax allowance)

(ii) Activities of the Audit & Supervisory Committee

Activities of the Audit & Supervisory Committee concerning the determination of Officer compensation for FY2021 are as follows.

① Number of meetings of the Audit and Supervisory Committee held over one year from January 2021 to December 2021: 8

② Main subjects discussed by the Audit & Supervisory Committee concerning Officer compensation and Officer compensation structure in FY2021:

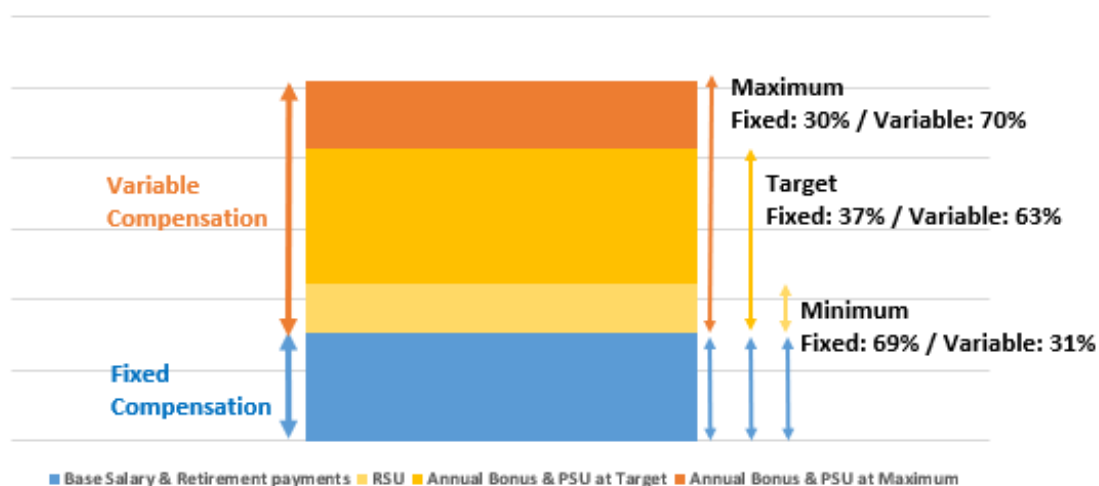
- Report on individual performance evaluation of Directors and Executive Officers for 2020
- Payment of leadership award (For March 2021)

- Payment of special RSU to Directors
- Revision of Officer compensation structure
- Policy for determining compensation for Directors, etc.
- Compensation for Directors serving on the Audit and Supervisory Committee for 2021
- Report on the number of PSU and RSU units granted to Directors and Executive Officers for 2021
- Objectives setting of Officers for 2021
- Validity of stock prices when stock-based compensation is granted
- Handling of taxes imposed on LTI (LTI tax allowance)

(c). Compensation level

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

Image of compensation structure (in case of Representative Director)



c. Guidelines and procedures for determining compensation for Supervisory Officers

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

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

d. Details of compensation for Officers for FY2021

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

Positions	Total remuneration	Number of persons remunerated	Types of remuneration					Remarks
			Basic remuneration	Compensation upon retirement	Bonuses	Long-term incentives	Other	
Directors (excluding Directors serving on the Audit and Supervisory Committee) (of which Outside Directors)	866 million yen (43 million yen)	5 (3)	418 million yen (43 million yen)	21 million yen (-)	120 million yen (-)	234 million yen (-)	74 million yen (-)	(Note)1,2,3,4,5,6
Directors (serving on the Audit and Supervisory Committee) (of which Outside Directors)	72 million yen (72 million yen)	5 (5)	72 million yen (72 million yen)	- (-)	- (-)	- (-)	- (-)	(Note)1,2,3,4
Total (of which Outside Directors)	937 million yen (115 million yen)	10 (8)	489 million yen (115 million yen)	21 million yen (-)	120 million yen (-)	234 million yen (-)	74 million yen (-)	

Notes:

- In accordance with the resolution passed at the 62nd Annual General Meeting of Shareholders held on March 26, 2020, the upper limit of compensation for Directors (five in number at the time of the resolution, excluding Directors serving on the Audit and Supervisory Committee) shall be 850 million yen per year (of which 50 million yen per year for Outside Directors (two in number at the time of the resolution)); in accordance with the resolution passed at the 58th Annual General Meeting of Shareholders held on March 23, 2016, the upper limit of compensation for Directors serving on the Audit and Supervisory Committee (five at the time of the resolution) shall be 100 million yen per year.
- Above table includes compensation, etc. paid to one Director (serving on the Audit and Supervisory Committee, of which one Outside Director), who was resigned at the conclusion of the 63rd Annual General Meeting of Shareholders held on March 25, 2021.
- Separately, in accordance with the resolution taken at the 63rd Annual General Meeting of Shareholders held on March 25, 2021, for Directors (excluding Directors serving on the Audit and Supervisory Committee), the upper limit of stock-based compensation consisting of monetary compensation receivables and cash (PSU, RSU) to Executive Directors shall be annual amount not exceeding in total the value of 600,000 shares multiplied by the market value of the monetary compensation receivables and cash at the time of issue”
- Basic compensation includes an amount equivalent to fringe benefits (housing allowances, etc.), etc.
- Long-term incentives include PSU, RSU and Special RSU.
- Other is special award (refer to (d). Others)

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

(c). Payment rate, etc. of incentive compensation

(i) In alignment with the mid-term management plan and the goal of achieving it, business income, sales volume and net sales are set as proper performance metrics of Annual Bonus to measure company performance of the Company in the previous years. Performance is calculated based on predetermined targets and actual achievement, weighted average achievement for FY2021. However, we were unable to set targets for each index for the current fiscal year, amid the unstable business environment caused by the effects of the COVID-19 pandemic. The individual performance evaluation-based payout rate for Executive Directors was 70%. Based on the company performance and individual performance evaluation, the Audit and Supervisory Committee discussed and reviewed the final payout rate (rate of actual annual incentive paid against target payout) for FY2021. As a result, it determined that 70% is reasonable.

(ii) PSUs granted in 2019 are subject to a 3-year performance period from 2019-2021 and are assessed using the corporate performance metrics of consolidated ROE and consolidated sales growth rate. Performance was assessed against predetermined targets and actual achievement for 2018-2020, weighted average achievement for 3-year period was -379%.

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

For the 2020 PSU, the payment rate is expected to be 0% as the challenging business environment is expected to continue in 2022, the final year of the evaluation period. The payout rate of PSU granted in 2021 is calculated based on ROE for the final fiscal year of the relevant performance period and the annual average sales growth rate for the relevant performance period. Therefore, it is not possible to estimate the payout rate reasonably at this time.

(d). Others

(i) The company, with the aim to reward performance that drives business transformation and to ensure retention, paid a cash-based leadership award in March 2021 with the total amount of 81 million yen according to the amount of contribution.

The Audit and Supervisory Committee discussed and reviewed the appropriateness of the payment of leadership award and has deemed to be reasonable. The amount of compensation for this leadership award is included in the total amount of compensation, etc. in the details of compensation for directors and corporate auditors in the Business Report for the previous fiscal year.

(ii) In order to maintain motivation to lead the transformation over the next few years, we will pay a total of 74 million yen in cash in March 2022 as a special award based on the individual performance evaluation of FY2021.

The Audit and Supervisory Committee discussed and reviewed the appropriateness of the payment of special award, and has deemed to be reasonable.

(3) Outside Officers

a. Matters relating to Outside Officers

- (a) Positions held concurrently as Directors with executive authority over operations, etc. at other corporations, etc. and Outside Officers, etc. at other corporations, etc. (As of December 31, 2021)

Position	Name	Important concurrent positions
Outside Director	Hiroshi Yoshioka	
Outside Director	Hiroko Wada	Representative, Office WaDa Outside Director, Shimadzu Corporation Outside Director (Audit & Supervisory Committee Member), Unicharm Corporation
Outside Director	Hirokazu Yamura	Representative Director & President, MICHINOKU COCA-COLA BOTTLING CO., LTD.
Outside Director (Audit & Supervisory Committee Member)	Irial Finan	Director, Smurfit Kappa Group Plc Director, Fortune Brands Home & Security, Inc.
Outside Director (Audit & Supervisory Committee Member)	Celso Guiotoko	Director and Global Chief Digital Officer, Nishimoto Co., Ltd.
Outside Director (Audit & Supervisory Committee Member)	Nami Hamada	Co-Founder, Managing Director, Mile High Capital Inc. Outside director (Audit committee member), MetLife Insurance K.K.
Outside Director (Audit & Supervisory Committee Member)	Vamsi Mohan Thati	President, Greater China and Mongolia Operating Unit, The Coca-Cola Company

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

- (1) There is no business relationship to be disclosed between the Company and Office WaDa.
- (2) There is no business relationship to be disclosed between the Company and Shimadzu Corporation.
- (3) There is no business relationship to be disclosed between the Company and Unicharm Corporation.
- (4) The Company and MICHINOKU COCA-COLA BOTTLING CO., LTD. have a trading relationship (sales, 0.2% of consolidated sales revenue of the Company; purchases, 0.5% of consolidated sales revenue of MICHINOKU COCA-COLA BOTTLING CO., LTD.
- (5) There is no business relationship to be disclosed between the Company and Smurfit Kappa Group Plc.
- (6) There is no business relationship to be disclosed between the Company and Fortune Brands Home & Security, Inc.
- (7) There is no business relationship to be disclosed between the Company and Nishimoto Co., Ltd.
- (8) There is no business relationship to be disclosed between the Company and Mile High Capital Inc.
- (9) There is no business relationship to be disclosed between the Company and MetLife Insurance K.K.
- (10) THE COCA-COLA COMPANY is an "Other Related Company" of the Company, and the Company has entered into agreements with it concerning the manufacture and sale of Coca-Cola and other products and the use of its trademarks.

(b) Main activities during the fiscal year under review

Position	Name	Main activities
Outside Director	Hiroshi Yoshioka	He attended all the 8 Board of Directors' meetings held during the fiscal year under review and provided advice as appropriate based on his considerable experience and global knowledge gained at the Coca-Cola bottling company in Japan and Sony Corporation.
Outside Director	Hiroko Wada	She attended all the 8 Board of Directors' meetings held during the fiscal year under review and provided advice as appropriate based on her considerable experience and global knowledge gained as officer at The Procter & Gamble Company and as Representative Director at Dyson Ltd. and Toys"R"Us-Japan Ltd.
Outside Director	Hirokazu Yamura	He attended all the 8 Board of Directors' meetings held during the fiscal year under review after he assumed Director of the Company and provided advice as appropriate based on his considerable experience and knowledge gained in management and as Representative Director & President at Michinoku Coca-Cola Bottling Co., Ltd..
Outside Director (Audit & Supervisory Committee Member)	Irial Finan	He attended all the 8 Board of Directors' meetings and 8 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on his considerable experience and global knowledge gained as a corporate executive engaged in Coca-Cola business over many years engaging in management of The Coca-Cola Company and global bottlers and acting as a representative of the Bottling Investments Group engaging in oversight of Coca-Cola bottlers worldwide.
Outside Director (Audit & Supervisory Committee Member)	Celso Guiotoko	He attended all the 8 Board of Directors' meetings and 8 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on his considerable experiences and global expertise gained at Nissan Motor Co., Ltd. ("Nissan") as well as Nishimoto Co., Ltd. And his audit experience as Statutory Auditor at Nissan.
Outside Director (Audit & Supervisory Committee Member)	Nami Hamada	She attended all the 8 Board of Directors' meetings and 8 Audit & Supervisory Committee's meetings held during the fiscal year under review and provided advice as appropriate based on her considerable experiences on Finance and Accounting gained as a proprietor of her own finance consulting company and her considerable experiences and global knowledge gained as a corporate executive at Lehman Brothers Japan Inc..
Outside Director (Audit & Supervisory Committee Member)	Vamsi Mohan Thati	He attended all the 6 Board of Directors' meetings and 5 out of 6 times of Audit & Supervisory Committee's meetings held during the fiscal year under review after he assumed Director (Audit & Supervisory Committee Member) of the Company and provided advice as appropriate based on his considerable management experiences and global knowledge gained as a Senior manager at business units in the Asia region of The Coca-Cola Company.

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

Consolidated Statement of Financial Position
As of December 31, 2021

	Millions of yen
Assets	
Current assets:	
Cash and cash equivalents	110,497
Trade and other receivables	105,320
Inventories	67,583
Other financial assets	1,320
Other current assets	16,275
Total current assets	300,995
Non-current assets:	
Property, plant and equipment	434,994
Right-of-use assets	25,144
Intangible assets	66,219
Investments accounted for using the equity method	281
Other financial assets	19,511
Deferred tax assets	13,960
Other non-current assets	6,006
Total non-current assets	566,116
Total assets	867,111

Note: Amounts less than one million yen are rounded.

Consolidated Statement of Financial Position
As of December 31, 2021

	Millions of yen
Liabilities and equity	
Liabilities	
Current liabilities:	
Trade and other payables	103,260
Bonds and debts	30,990
Lease liabilities	4,050
Income taxes payable	1,139
Provisions	9
Other current liabilities	16,085
Total current liabilities	155,535
Non-current liabilities:	
Bonds and debts	156,622
Lease liabilities	22,462
Net defined benefit liabilities	17,605
Provisions	2,137
Deferred tax liabilities	17,379
Other non-current liabilities	2,920
Total non-current liabilities	219,125
Total liabilities	374,660
Equity	
Capital stock	15,232
Capital surplus	450,832
Retained earnings	109,273
Treasury shares	(85,661)
Accumulated other comprehensive income	2,644
Equity attributable to owners of the parent (total)	492,320
Non-controlling interests	131
Total equity	492,451
Total liabilities and equity	867,111

Note: Amounts less than one million yen are rounded.

Consolidated Statement of Income
For the fiscal year ended December 31, 2021

	Millions of yen
Continuing operations	
Net sales	785,837
Cost of sales	435,332
Gross profit	350,505
Selling and general administrative expenses	363,750
Other income	10,138
Other expenses	17,702
Share of income (loss) of entities accounted for using equity method	(162)
Operating income(loss)	(20,971)
Financial revenue	377
Finance costs	1,089
Income(loss) for the year before income tax	(21,683)
Income tax expense	(6,653)
Net income(loss) for the year from continuing operations	(15,029)
Discontinued operations	
Net income(loss) for the year from discontinued operations	12,505
Net income (loss) for the year	(2,525)
Net income(loss) for the year attributable to:	
Owners of the parent	
Loss from continuing operations attributable to owners of parent	(15,008)
Profit from discontinued operations attributable to owners of parent	12,505
Non-controlling interests	(21)

Note: Amounts less than one million yen are rounded.

Non-consolidated Balance Sheet
As of December 31, 2021

	Millions of yen
Assets	
Current assets:	
Cash and deposits	7,187
Prepaid expenses	39
Short-term loan receivable of subsidiaries and affiliates	128,454
Accrued income receivable	82
Other current assets	2,146
Total current assets	137,908
Fixed assets:	
Property, plant and equipment:	
Buildings	13,031
Structures	924
Tools, instruments and fixtures	13
Land	48,216
Total property, plant and equipment	62,185
Intangible assets:	
Leasehold right	27
Software	1
Total intangible assets	28
Investments and other assets:	
Investment securities of subsidiaries and affiliates	342,561
Deferred tax assets	184
Other assets	544
Total investments and other assets	343,289
Total fixed assets	405,502
Total assets	543,410

Note: Amounts less than one million yen are rounded.

Non-consolidated Balance Sheet
As of December 31, 2021

	Millions of yen
Liabilities	
Current liabilities:	
Bonds and debts	30,000
Other accounts payable	333
Accrued expenses payable	4
Money entrusted	9,722
Allowance for bonuses	4
Allowance for bonuses to directors	120
Other current liabilities	91
Total current liabilities	40,274
Long-term liabilities:	
Bonds payable	150,000
Assets retirement obligation	1,039
Provision for performance-linked compensation	197
Other long-term liabilities	87
Total long-term liabilities	151,324
Total liabilities	191,598
Net assets	
Shareholders' equity:	
Common stock	15,232
Additional paid-in capital	
Capital reserve	108,167
Other additional paid-in capital	158,783
Total additional paid-in capital	266,950
Retained earnings:	
Legal reserve	3,317
Other retained earnings:	
Reserve for advanced depreciation	676
General reserve	110,388
Retained earnings to be carried forward	40,911
Total other retained earnings	151,975
Total retained earnings	155,292
Treasury stock (at cost)	(85,661)
Total shareholders' equity	351,812
Total net assets	351,812
Total liabilities and net assets	543,410

Note: Amounts less than one million yen are rounded.

Non-consolidated Statement of Income
For the fiscal year ended December 31, 2021

	Millions of yen
Net revenues	5,797
Operating expenses	4,257
Operating income	1,540
Non-operating income:	
Interest and dividend received	183
Other non-operating income	19
Total non-operating income	202
Non-operating expenses:	
Interest expenses	472
Other expenses	69
Total non-operating expenses	541
Recurring income	1,201
Extraordinary profit:	
Gain on sale of fixed assets	1,359
Gain on sales of stocks of subsidiaries and affiliates	17,579
Total extraordinary profit	18,938
Extraordinary losses:	
Impairment loss	298
Loss on sales of fixed assets	33
Loss on retirement of fixed assets	3
Total extraordinary losses	333
Income before income taxes	19,805
Income taxes	1,054
Income taxes deferred	356
Income	18,395

Note: Amounts less than one million yen are rounded.

Independent Auditor's Report

February 17, 2022

The Board of Directors
Coca-Cola Bottlers Japan Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo Office
Tokuya Takizawa (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Miyuki Nakamura (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Keita Tsujimoto (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the consolidated financial statements, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of Coca-Cola Bottlers Japan Holdings, Inc. as at December 31, 2021 and for the year from January 1, 2021 to December 31, 2021 in accordance with Article 444-4 of the Companies Act.

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

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its

consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor.
We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

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

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

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

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

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

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements. We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.

- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with the provisions of the latter part of Article 120, Paragraph 1 of the Regulation on Corporate Accounting which allows companies to prepare consolidated financial statements with the omission of some disclosure items required under Designated International Financial Reporting Standards, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

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

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles

Other Matter

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

Notes to the Reader of Independent Auditor's Report:

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

Independent Auditor's Report

February 17, 2022

The Board of Directors
Coca-Cola Bottlers Japan Holdings, Inc.

Ernst & Young ShinNihon LLC
Tokyo Office
Tokuya Takizawa (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Miyuki Nakamura (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant
Keita Tsujimoto (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Opinion

We have audited the financial statements, comprising the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules of Coca-Cola Bottlers Japan Holdings, Inc. as at December 31, 2021 and for the year from January 1, 2021 to December 31, 2021 in accordance with Article 436-2-1 of the Companies Act.

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

Basis for the Opinion

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.

- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.
- To express an opinion on the financial statements and the accompanying supplementary schedules, obtain sufficient and appropriate audit evidence relating to the financial information on components, which is included in the financial statements and the accompanying supplementary schedules. The auditor is responsible for giving instructions on, monitoring, and performing audits relating to the financial information on components. The auditor is solely responsible for audit opinions.

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

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

Other Matter

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

Notes to the Reader of Independent Auditor's Report:

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

Audit Report

We, as the Audit & Supervisory Committee (“A&S Committee”) conducted audits relating to the execution of duties by directors during FY 2021 business year from January 1, 2021 to December 31, 2021, and hereby report the method of audits and results as follows.

1. Method of audits and the details

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

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

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

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

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

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

2. Audit Results

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

① We acknowledge that the business reports and detailed statements correctly indicate the company’s situation in accordance with laws and regulations and the Articles of Incorporation.

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

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

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

(3) Results of Audit of Consolidated Financial Statements

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

February 17, 2022

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

Audit & Supervisory Committee Member Irial Finan

Audit & Supervisory Committee Member Celso Guiotoko

Audit & Supervisory Committee Member Nami Hamada

Audit & Supervisory Committee Member Vamsi Mohan Thati

(Note) Audit & Supervisory Committee Member Irial Finan, Audit & Supervisory Committee Member Celso Guiotoko, Audit & Supervisory Committee Member Nami Hamada and Audit & Supervisory Committee Member Vamsi Mohan Thati are External Auditors provided for in Article 2-15 and Article 331-6 of the Companies Act.

TOPICS

Status of Sales Activities

Product Showcase

Premium PET Bottled Coffee “COSTA Latte Espresso” (launched October 4, 2021)

From Europe’s No. 1* café brand “COSTA COFFEE,” a new latte with a strong coffee feel been introduced.

Enjoy the bittersweet and rich flavor of espresso with just the right amount of sweetness and 100% domestic milk.

Offering “COSTA Black Coffee,” “COSTA Café Latte” or “COSTA Latte Espresso” based on your preferences and mood.

*Allegra 2021 World Coffee Portal Survey



First Release in the Ayataka Café Series “Ayataka Café Matcha Latte” (launched March 22, 2021)

The first release in the new “Ayataka Café” series, born from the authentic green tea brand “Ayataka.”

Under the supervision of the long-established tea shop “Kanbayashi Shunsho Honten” in Uji, Kyoto and the specialty coffee shop “Sarutahiko Coffee,” it offers an authentic taste and a new way to enjoy tea.

Made with plenty of carefully selected domestic matcha to deliver an refined milk taste that enhances the flavor of matcha.



Non-Alcoholic Brand “Yowanai Lemon-dou” (launched February 21, 2022)

A non-alcoholic lemon sour flavored drink made based on our experience with “Lemon-dou,” with an alcohol content of 0.00%.

A Contribute to capture growth opportunities for the Company in the growing non-alcoholic market.

We have achieved an authentic lemon sour taste with a unique recipe that uses carefully selected lemon juice and spices used in gin.



Coca-Cola Official App “Coke ON” Exceeds 33 million Downloads*!!

Coke ON is a smartphone app with great value and fun, where users can collect stamps to get free drink tickets and other benefits. Since the service started in April 2016, in addition to the basic functions of collecting stamps and receiving drink tickets, we have developed various functions and services in order to provide great value and enjoyable beverage experience. In 2018, we added “Coke ON Walk,” which made it possible for users to collect stamps just by walking. In 2019, the cashless payment function “Coke ON Pay” was added, and in 2021, the subscription (flat-rate) service “Coke ON Pass” was introduced. From 2022 onward, we will continue to improve existing functions while aiming to develop new services that appeals to everyone.

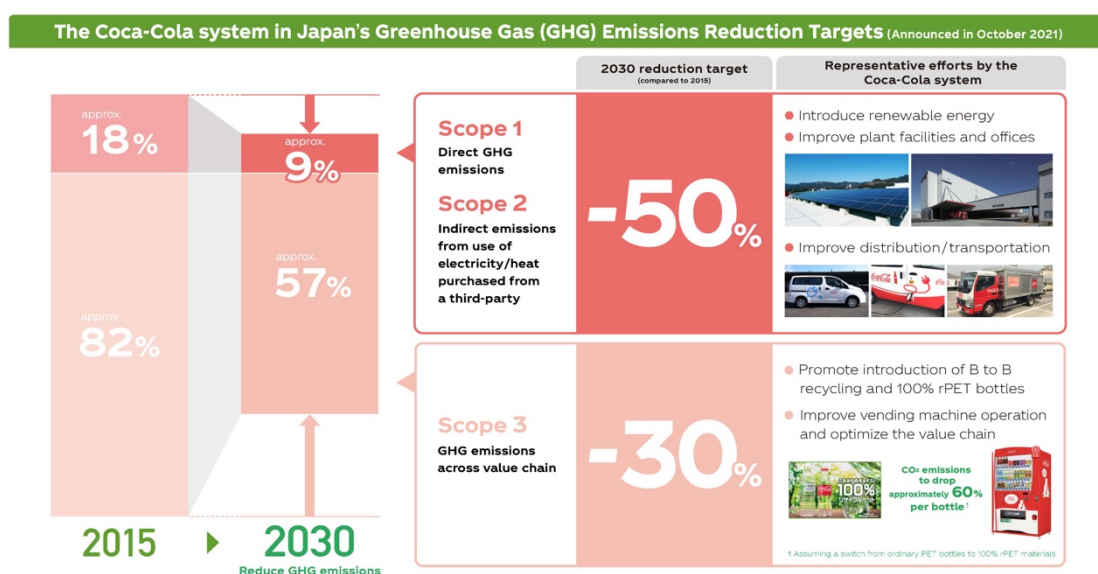
*As of December 31, 2021



TOPICS
ESG Initiatives

Establishment of Greenhouse Gas (GHG) Emissions Reduction Targets by 2030

The Company continues to promote Environment, Society and Governance (ESG) initiatives with a management based on Creating Shared Value (CSV), which regards business growth and the resolution of social issues as one and the same. In October 2021, as The Coca-Cola system in Japan, we formulated and announced reduction targets for greenhouse gas (GHG) emissions across the entire value chain in Japan by 2030. Through various initiatives, such as expanding the introduction of recycle PET bottles and the utilization of renewable energy, we are aiming for a 50% reduction in Scope 1 (direct GHG emissions) and Scope 2 (indirect GHG emissions) against the level in 2015 and a 30% reduction in Scope 3 (other indirect GHG emissions) against the level in 2015.



Promotion of the Sustainable Use of Resources, Including “Bottle-to-Bottle Recycling”

As part of our initiative to achieve the “2030 Packaging Vision,” which aims for a World Without Waste, we are promoting “bottle-to-bottle” in order to create new PET bottles from used PET bottles. We have been using 100% recycled PET bottles for I LOHAS Natural Water since 2020, and in 2021, we expanded the use of 100% recycled PET bottles to our mainstay Coca-Cola and Georgia Japan Craftsman* small PET bottles. In addition to these initiatives, we have been working on the adoption of label-less packaging, the expansion of recyclable containers and the weight reduction of containers, which has contributed significantly to the reduction of CO₂ and the amount of plastic newly produced from petroleum-derived raw materials. Regarding the usage ratio of sustainable materials, including “bottle-to-bottle,” we achieved 40% use in 2021, and aim to achieve the target of 50% by the end of 2022. We will continue to promote initiatives towards the realization of a World Without Waste.

*Only message bottles are included for Japan Craftsman.



Earned 4.5 Stars in the Nikkei Smart Work Management Survey, which Selects Advanced Companies that Revolutionize Productivity through Work Style Reforms

The Company earned 4.5 star rating in the Fifth Nikkei Smart Work Management Survey published by Nikkei Inc. in November 2021. We believe that our initiatives such as diversity & inclusion, promotion of flexible work styles, health management initiatives, activation of external communication, and introduction and utilization of technology were recognized, and we received evaluations of S⁺ and S⁺⁺ in the fields of People Utilization Capability and Market Development Strengths, respectively. Going forward, we will continue to strive to achieve sustainable growth in the future and provide value to our stakeholders by increasing productivity through the creation of a comfortable work environment for our employees.



The Nikkei Smart Work Management Survey has been conducted by Nikkei Inc. since 2017, targeting listed companies and leading unlisted companies nationwide. Smart work management is defined as an effort to maximize organizational performance through the three factors of the realization of diverse and flexible work styles (people utilization capability), the creation of new businesses (innovation) and the ability to develop new markets (market development strengths), and is assessed on a five-star scale.

Obtained Gold Certification in the LGBTQ Initiative Index “PRIDE Index 2021”

The “PRIDE Index” is an evaluation index for companies, established by the voluntary organization “work with Pride” that supports the promotion and establishment of diversity management related to LGBTQ employees and other sexual minorities in organizations such as companies. In November 2021, we received a “Gold” rating, the highest certification in the system. Based on respect for the individuality of each and every employee, we believe that it is important to actively incorporate diverse values and ideas in order to continue to create innovation. Based on this belief, we are promoting the creation of a more comfortable work environment and efforts to raise awareness throughout the company, such as by revising internal regulations and providing ongoing training, in order to promote and instill diversity and inclusion (D&I), and provide equal opportunities for all employees. As an example of our initiatives, we completed the

establishment of benefits and work regulations that apply to same-sex partners in 2020. Moreover, human rights policies and D&I policies specify “gender identity and expression,” in addition to “sexual orientation,” as elements that make up diversity.

work with Pride



TOPICS

Promotion of Digital Transformation (DX)

DX Initiatives in the Sales Field

We are focusing on the promotion of DX based on the idea of radically transforming our business in order to promptly respond to the changing and diversifying needs of our customers and society. At sales sites, we are working to improve the productivity and efficiency of sales activities by utilizing Sales Force Automation (SFA) to manage and analyze customer information, formulate activity plans and record results. Moreover, we are making efforts to offer proposals for optimizing selling space by utilizing augmented reality (AR) technology and image recognition apps in business negotiations. In addition, we are providing Coke ON services as a digital platform, building big data infrastructure and utilizing AI (machine learning) in sales activities such as sales forecasting, visit simulations and product lineup optimization. We are also promoting DX in all fields, including manufacturing, logistics and back office, and we will continue to strive to improve the value provided by the utilization of digital technology.

